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DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

| | | |
|---|---|------------------------------|
| Operator Chace Oil Company, Inc. | | Well API No. 30 043 20352 |
| Address 313 Washington SE, Albuquerque, New Mexico 87108 | | |
| Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain) | | |
| New Well <input type="checkbox"/> | Change in Transporter of: Oil <input type="checkbox"/> Dry Gas <input checked="" type="checkbox"/> | Effective: June 3, 1989 |
| Recompletion <input type="checkbox"/> | Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/> | |
| Change in Operator <input type="checkbox"/> | | |
| If change of operator give name and address of previous operator | | |

II. DESCRIPTION OF WELL AND LEASE

| | | | | |
|--|---------------|---|---|-----------------|
| Lease Name Chace Apache 54 | Well No. 7 | Pool Name, including Formation West Lindrith Gallup-Dakota | Kind of Lease Indian State, Federal or Fee | Lease No. 54 |
| Location Unit Letter K : 1850 Feet From The South Line and 1850 Feet From The West Line Section 34 Township 23N Range 3W, NMPL Sandoval County | | | | |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

| | | | | | | |
|--|---|------------|-------------|------------|-----------------------------------|------------------|
| Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) P. O. Box 256, Farmington, NM 87499 | | | | | |
| Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) P. O. Box 1492, El Paso, TX 79978 | | | | | |
| If well produces oil or liquids, give location of tanks. | Unit K | Sec. 34 | Twp. 23N | Rge. 3W | Is gas actually connected? yes | When? 7/13/79 |

If this production is commingled with that from any other lease or pool, give commingling order number.

IV. COMPLETION DATA

| | | | | | | | | |
|-------------------------------------|-----------------------------|----------|-----------------|----------|-------------------|-----------|------------|------------|
| Designate Type of Completion - (X) | Oil Well | Gas Well | New Well | Workover | Deepen | Plug Back | Same Res'v | Diff Res'v |
| Date Spudded | Date Compl. Ready to Prod. | | Total Depth | | P.B.T.D. | | | |
| Elevations (DF, RKB, RT, GR, etc.) | Name of Producing Formation | | Top Oil/Gas Pay | | Tubing Depth | | | |
| Perforations | | | | | Depth Casing Shoe | | | |
| TUBING, CASING AND CEMENTING RECORD | | | | | | | | |
| HOLE SIZE | CASING & TUBING SIZE | | DEPTH SET | | SACKS CEMENT | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

| | | | |
|--------------------------------|-----------------|---|--|
| Date First New Oil Run To Tank | Date of Test | Producing Method (Flow, pump, gas lift, etc.) | RECEIVED MAY 24 1989 OIL CON. DIV. |
| Length of Test | Tubing Pressure | Casing Pressure | |
| Actual Prod. During Test | Oil - Bbls. | Water - Bbls. | |

GAS WELL

| | | | |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| Actual Prod. Test - MCF/D | Length of Test | Bbls. Condensate/MMCF | Gravity of Condensate |
| Testing Method (pilot, back pr.) | Tubing Pressure (Shut-in) | Casing Pressure (Shut-in) | Choke Size |

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature
Frank A. Welker, Vice President Production
Printed Name
5/19/89 505/266-5562
Date
Telephone No.

OIL CONSERVATION DIVISION

Date Approved MAY 24 1989
By
Title SUPERVISION DISTRICT # 3

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.