

| | |
|------------------------|-----|
| NO. OF COPIES RECEIVED | |
| DISTRIBUTION | |
| SANTA FE | |
| FILE | |
| U.S.G.S. | |
| LAND OFFICE | |
| TRANSPORTER | OIL |
| | GAS |
| OPERATOR | |
| PRODUCTION OFFICE | |

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

COPY

AZTEC ENERGY CORPORATION

Address

1206 East 20th Street, Farmington, New Mexico 87401

Reason(s) for filing (Check proper box)

| | | | |
|---------------------|-------------------------------------|---------------------------|--------------------------|
| New Well | <input checked="" type="checkbox"/> | Change in Transporter of: | |
| Recompletion | <input type="checkbox"/> | Oil | <input type="checkbox"/> |
| Change in Ownership | <input type="checkbox"/> | Casinghead Gas | <input type="checkbox"/> |
| | | Dry Gas | <input type="checkbox"/> |
| | | Condensate | <input type="checkbox"/> |

Other (Please explain)

If change of ownership give name
and address of previous owner

DESCRIPTION OF WELL AND LEASE

| | | | | |
|-----------------|----------|--------------------------------|-------------------------------|---------------|
| Lease Name | Well No. | Pool Name, Including Formation | Kind of Lease | Lease No. |
| LuLu | #2 | Lybrook Gallup | State, Federal or Fee Federal | NM28741 |
| Location | | | | |
| Unit Letter | L | 2140' | Feet From The South | Line and 990' |
| | | | Feet From The West | |
| Line of Section | 29 | Township | 23N | Range 6W |
| | | | NMPM, | Sandoval |
| | | | | County |

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) | | | | | |
| The Permian Corporation | PO Box 1183, Houston, Texas 77001 | | | | | |
| 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) | | | | | |
| Aztec Energy Corporation | PO Box 2637, Farmington, New Mexico 87499 | | | | | |
| If well produces oil or liquids, give location of tanks. | Unit | Sec. | Twp. | Rge. | Is gas actually connected? | When |
| | L | 29 | 23N | 6W | Yes | Jan. 14, 1983 |

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

COMPLETION DATA

| | | | | | | | | |
|------------------------------------|--|-----------------------------|----------|-----------------|--------|--------------|-------------|--------------|
| Designate Type of Completion - (X) | Oil Well | Gas Well | New Well | Workover | Deepen | Plug Back | Same Res'v. | Diff. Res'v. |
| | X | | X | | | | | |
| Date Spudded | 8/16/82 | Date Compl. Ready to Prod. | 11/8/82 | Total Depth | 5777' | P.B.T.D. | 5733' | |
| Elevations (DF, RKB, RT, GR, etc.) | 7106' GR | Name of Producing Formation | Gallup | Top Oil/Gas Pay | 5226' | Tubing Depth | 5187 | |
| Perforations | 5226, 5228, 5231, 5239, 5264, 5266, 5390, 5395, 5397, 5411, 5413, 5510, 5514, 5528, 5568, 5572, 5576, 5581, 5589, 5592, 5594, 5600, 5603, 5606, 5634, 5645, 5649 | Depth Casing Shoe | 5776' | | | | | |

TUBING, CASING, AND CEMENTING RECORD

| | | | |
|-----------|----------------------|-----------|-------------------------|
| HOLE SIZE | CASING & TUBING SIZE | DEPTH SET | SACKS CEMENT |
| 12 1/4" | 8 5/8" | 275' | 200 sks Class B w/2%Kcl |
| 7 7/8" | 5 1/2" | 5777' | 950 sks Class B |
| | 2 3/8" | | |

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 Tanks | 11/8/82 | Date of Test | 11/15/82 | Producing Method (Flow, pump, gas lift, etc.) | Flowing |
| Length of Test | 8 hrs. | Tubing Pressure | 368 psi | Casing Pressure | 918 psi |
| Actual Prod. During Test | | Oil - Bbls. | 68.54 | Water - Bbls. | TSTM |
| | | | | Gas - MCF | 92.54 |

GAS WELL

| | | | | |
|----------------------------------|---------------------------|---------------------------|-------|--------------------|
| Actual Prod. Test - MCF/D | Length of Test | Bbls. Condensate | 1983 | Flow of Condensate |
| Testing Method (pilot, back pr.) | Tubing Pressure (Shut-in) | Casing Pressure (Shut-in) | Choke | |

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.

Louise W. Allen
(Signature)

Geologist

(Title)

May 4, 1983

(Date)

OIL CONSERVATION DIVISION

APPROVED

MAY 4, 1983

BY Original Signed by FRANK T. CHAVEZ

TITLE

SUPERVISOR DISTRICT #3

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.