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| SANTA FE               |            |
| FILE                   |            |
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| LAND OFFICE            |            |
| TRANSPORTER            | OIL<br>GAS |
| OPERATOR               |            |
| PRORATION OFFICE       |            |

NEW MEXICO OIL CONSERVATION COMMISSION  
REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104  
Supersedes Old C-104 and C-110  
Effective 1-1-55

|                                                                                                   |                                                                       |
|---------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Operator<br>Grace Petroleum Corporation                                                           |                                                                       |
| Address<br>1515 Arapahoe Street, 3 Park Central, Suite 333, Denver, Colorado 80202                |                                                                       |
| Reason(s) for filing (Check proper box)                                                           | Other (Please explain)                                                |
| New Well <input type="checkbox"/>                                                                 | Oil transporter changed from Inland Corporation to Giant Refining Co. |
| Recompletion <input type="checkbox"/>                                                             |                                                                       |
| Change in Ownership <input type="checkbox"/>                                                      |                                                                       |
| Change in Transporter of:<br>Oil <input checked="" type="checkbox"/> Gas <input type="checkbox"/> |                                                                       |
| Casinghead Gas <input type="checkbox"/>                                                           |                                                                       |
| Dry Gas <input type="checkbox"/>                                                                  |                                                                       |
| Condensate <input type="checkbox"/>                                                               |                                                                       |

If change of ownership give name and address of previous owner \_\_\_\_\_

DESCRIPTION OF WELL AND LEASE

|                                                                                                                                                                                                                          |                      |                                                      |                                                       |                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|------------------------------------------------------|-------------------------------------------------------|-------------------------------|
| Lease Name<br><u>State</u><br>Federal 35                                                                                                                                                                                 | Well No.<br><u>1</u> | Pool Name, including Formation<br><u>Escabedillo</u> | Kind of Lease<br>State, Federal or Fee <u>Federal</u> | Lease No.<br><u>SF-078534</u> |
| Location<br>Unit Letter <u>D</u> : <u>890</u> Feet From The <u>North</u> Line and <u>830</u> Feet From The <u>West</u><br>Line of Section <u>35</u> Township <u>24N</u> Range <u>7W</u> , NMPM, <u>Rio Arriba</u> 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) |
| <u>Giant Refining Co.</u>                                                                                                | <u>P.O. Box 256, Farmington, New Mexico 87401</u>                        |
| 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) |
| <u>EPNG</u>                                                                                                              | <u>Box 990</u>                                                           |
| If well produces oil or liquids, give location of tanks.                                                                 | Unit Sec. Twp. Rge. Is gas actually connected? When                      |
| <u>D</u> <u>35</u> <u>24N</u> <u>7W</u>                                                                                  | <u>No</u>                                                                |

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> New Well <input type="checkbox"/> Workover <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Same Res'v. <input type="checkbox"/> Diff. Res'v. <input type="checkbox"/> |
| Date Spudded<br><u>8-7-80</u>                                                       | Date Compl. Ready to Prod.                                                                                                                                                                                                                                                                       |
| Elevations (DF, RKB, RT, GR, etc.)<br><u>7021' KB</u>                               | Name of Producing Formation<br><u>Gallup</u>                                                                                                                                                                                                                                                     |
| Perforations<br><u>5298-5304', 5412-16', 5472-88', 5516-24', 5532-42', 5600-06'</u> | Total Depth<br><u>5820'</u>                                                                                                                                                                                                                                                                      |
|                                                                                     | Top Oil/Gas Pay<br><u>5298'</u>                                                                                                                                                                                                                                                                  |
|                                                                                     | Depth Casing Shoe<br><u>5720'</u>                                                                                                                                                                                                                                                                |

TUBING, CASING, AND CEMENTING RECORD

|                |                      |              |                                     |
|----------------|----------------------|--------------|-------------------------------------|
| HOLE SIZE      | CASING & TUBING SIZE | DEPTH SET    | SACKS CEMENT                        |
| <u>12.25</u>   | <u>8.625</u>         | <u>328'</u>  | <u>260 sx + 2% CaCl<sub>2</sub></u> |
| <u>7.875</u>   | <u>4.5</u>           | <u>5820'</u> | <u>260 sx 50:50:2+6.25#</u>         |
| <u>DV Tool</u> |                      | <u>2789'</u> | <u>Gilonite/sx 7# salt/sx, 2nd</u>  |
|                |                      |              | <u>stg 710 sx 50:50:2 tailed w/</u> |
|                |                      |              | <u>50-sx C15 "B"</u>                |

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 | Date of Test    | Producing Method (Flow, pump, gas lift, etc.) |
|                                 |                 |                                               |
| Length of Test                  | Tubing Pressure | Casing Pressure                               |
|                                 |                 |                                               |
| Actual Prod. During Test        | Oil-Bbls.       | Water-Bbls.                                   |
|                                 |                 |                                               |

REC  
GAS-MCF  
500

GAS WELL

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

CERTIFICATE OF COMPLIANCE

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

Manager of Production

September 22, 1983

OIL CONSERVATION COMMISSION

SEP 26 1983

APPROVED

BY

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 deepen 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 all wells on new and recompleted wells.

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

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