

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

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| TRANSPORTER            | OIL |
|                        | GAS |
| OPERATION              |     |
| PRODUCTION OFFICE      |     |

OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-104  
Revised 10-01-78  
Format 06-01-83  
Page 1

REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

|                                                                                                                                       |                                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Operator<br>Merrion oil & Gas Corporation                                                                                             |                                                                                                                                                                                  |
| Address<br>P. O. Box 840, Farmington, New Mexico 87499                                                                                |                                                                                                                                                                                  |
| Reason(s) for filing (Check proper box)                                                                                               | Other (Please explain)                                                                                                                                                           |
| <input type="checkbox"/> New Well<br><input checked="" type="checkbox"/> Recompletion<br><input type="checkbox"/> Change in Ownership | Change in Transporter oil:<br><input type="checkbox"/> Oil<br><input type="checkbox"/> Casinghead Gas<br><input type="checkbox"/> Dry Gas<br><input type="checkbox"/> Condensate |

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OIL CON. DIV.  
DIST. 3

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

II. DESCRIPTION OF WELL AND LEASE

|                                                                                                                                                                                                                  |               |                                                              |                                                |                       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------------------------------------------------------|------------------------------------------------|-----------------------|
| Lease Name<br>Federal B                                                                                                                                                                                          | Well No.<br>1 | Pool Name, including Formation<br>Dufers Point Gallup Dakota | Kind of Lease<br>State, Federal or Fee Federal | Lease No.<br>NM 28751 |
| Location<br>Unit Letter <u>B</u> ; <u>1650</u> Feet From The <u>South</u> Line and <u>1650</u> Feet From The <u>East</u><br>Line of Section <u>3</u> Township <u>24N</u> Range <u>8W</u> , NMPM, San Juan 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"/><br>The Mancos Corporation          | Address (Give address to which approved copy of this form is to be sent)<br>P. O. Box 1320, Farmington, New Mexico 87499 |
| Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/><br>El Paso Natural Gas Co. | Address (Give address to which approved copy of this form is to be sent)<br>P. O. Box 4239, Farmington, New Mexico 87499 |
| If well produces oil or liquids, give location of tanks.<br>Unit <u>B</u> Sec. <u>3</u> Twp. <u>24N</u> Rge. <u>8W</u>                              | Is gas actually connected? <u>No</u> When _____                                                                          |

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

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. 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 is true and complete to the best of my knowledge and belief.

  
(Signature)  
Steve S. Dunn, Operations Manager  
(Title)  
9/13/85  
(Date)

OIL CONSERVATION DIVISION

APPROVED \_\_\_\_\_  
BY \_\_\_\_\_ Original Signed by FRANK T. CHAVEZ  
TITLE \_\_\_\_\_ SUPERVISOR DISTRICT 7-8

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.

#### IV. COMPLETION DATA

| Designate Type of Completion - (X) |                             |                 |              |
|------------------------------------|-----------------------------|-----------------|--------------|
| Oil Well                           | Gas Well                    | New Well        | Workover     |
| Deepen                             | Plug Back                   | Some Resrv.     | Diff. Resrv. |
| Date Spudded                       | Date Compl. Ready to Prod.  | Total Depth     | P.B.T.D.     |
| 11/22/76                           | 1/19/77                     | 7216'           | 7180'        |
| Elevations (DF, RKB, RT, CR, etc.) | Name of Producing Formation | Top Oil/Gas Pay | Tubing Depth |
| 7217' KB, 7203' GR                 | Dakota                      | 6858'           | 6908'        |
| Perforations                       |                             |                 |              |
| Depth Casing Shoe                  |                             |                 |              |

#### TUBING, CASING, AND CEMENTING RECORD

| HOLE SIZE | CASING & TUBING SIZE | DEPTH SET | SACKS CEMENT           |
|-----------|----------------------|-----------|------------------------|
| 13-3/8"   | 9-5/8", 32.30#       | 300'      | 250 SX                 |
| 8-3/4"    | 7", 23#              | 7000'     | Covered oil prod. zone |
|           | 5-1/2", 17#          | 7216'     | 400 SX                 |
|           | 2-3/8"               | 6908'     |                        |

#### V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL

|                                 |          |                 |         |                                               |         |               |      |           |          |
|---------------------------------|----------|-----------------|---------|-----------------------------------------------|---------|---------------|------|-----------|----------|
| Date First New Oil Run To Tanks | 1/4/77   | Date of Test    | 9/12/85 | Producing Method (Flow, pump, gas lift, etc.) | Pumping | Choke Size    | 3/4" | Gas - MCF | 5.93 MCF |
| Length of Test                  | 24 hours | Tubing Pressure | 10 PSI  | Casing Pressure                               | 175 PSI | Water - Bbls. |      |           |          |
| Actual Prod. During Test        |          | Oil - Bbls.     | 30      | Water - Bbls.                                 |         | Gas - MCF     |      |           |          |

#### GAS WELL

|                           |                |                       |                       |                                   |                            |                            |            |
|---------------------------|----------------|-----------------------|-----------------------|-----------------------------------|----------------------------|----------------------------|------------|
| Actual Prod. Test - MCF/D | Length of Test | Bbls. Condensate/MACF | Gravity of Condensate | Testing Method (Piston, back pr.) | Tubing Pressure (Chart-In) | Casing Pressure (Chart-In) | Choke Size |
|---------------------------|----------------|-----------------------|-----------------------|-----------------------------------|----------------------------|----------------------------|------------|