

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 Merit Energy Company	Well API No. 30-045-12140
Address 12221 Merit Drive, Suite #500 Dallas, Texas 75251	
Reason(s) for Filing (Check proper box) New Well <input type="checkbox"/> Change in Transporter of: Recompletion <input type="checkbox"/> Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> Change in Operator <input checked="" type="checkbox"/> Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/> Other (Please explain) <input type="checkbox"/>	
If change of operator give name and address of previous operator Southern Union Exploration Company 324 Hwy US64, NBU3001 Farmington, NM 87	

II. DESCRIPTION OF WELL AND LEASE

Lease Name Nickson	Well No. 16	Pool Name, Including Formation Basin Dakota	Kind of Lease State, Federal or Fee	Lease No. SF078431
Location Unit Letter 0 : 1075 Feet From The South Line and 1515 Feet From The East Line Section 35 Township 26 N Range 8 W , NMPM , San Juan County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input checked="" type="checkbox"/> Giant Refining Company	Address (Give address to which approved copy of this form is to be sent) Post Office Box 256 Farmington, NM 87499					
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> El Paso Natural Gas Company	Address (Give address to which approved copy of this form is to be sent) Post Office Box 990 Farmington, NM 87499					
If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected?	When?

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

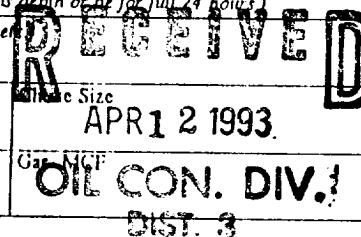
IV. COMPLETION DATA

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.)
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 Donald E. Spence
Printed Name **Donald E. Spence** Vice-President
Date April 1, 1993 Telephone No. 214/701-8377

OIL CONSERVATION DIVISION

Date Approved APR 12 1993
By Samuel Chang
Title **SUPERVISOR DISTRICT 13**

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.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.