

OIL CONSERVATION DIVISION

P.O. BOX 2088

SANTA FE, NEW MEXICO 87501

|                   |                                         |
|-------------------|-----------------------------------------|
| EXPLORATION       |                                         |
| DEVELOPMENT       |                                         |
| RECOMPLETION      |                                         |
| TRANSPORTER       | <input checked="" type="checkbox"/> OIL |
| OPERATOR          | <input type="checkbox"/> GAS            |
| PRODUCTION OFFICE |                                         |

REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Supron Energy Corp. % John H. Hill, et al  
Address Suite 020, Kysar Building  
300 W. Arrington, Farmington, New Mexico 87401

Reason(s) for filing (Check proper box) Other (Please explain)

|                     |                                     |                           |                          |
|---------------------|-------------------------------------|---------------------------|--------------------------|
| New Well            | <input checked="" type="checkbox"/> | Change in Transporter of: |                          |
| Recompletion        | <input type="checkbox"/>            | Oil                       | <input type="checkbox"/> |
| Change in Ownership | <input type="checkbox"/>            | Condensate 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 | Well No. | Pool Name, including Formation | Kind of Lease                 | Lease No. |
| Nickson    | 21       | Ballard Pictured Cliffs        | State, Federal or Fee Federal | SF-0784   |

Location

Unit Letter L : 1850 Feet From The South Line and 790 Feet From The West

Line of Section 11 Township 26 North Range 8 West, NMPM, San Juan County

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

|                                                                                                                          |                                                                          |  |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|--|
| Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>                    | Address (Give address to which approved copy of this form is to be sent) |  |
| Name of Authorized Transporter of Condensate Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |  |
| Gas Company of New Mexico                                                                                                | P. O. Box 1899, Bloomfield, New Mexico 87413                             |  |

|                                                          |      |      |      |      |                            |      |
|----------------------------------------------------------|------|------|------|------|----------------------------|------|
| If well produces oil or liquids, give location of tanks. | Unit | Sec. | Twp. | Rge. | Is gas actually connected? | When |
|                                                          |      |      |      |      | No                         |      |

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. | 1 H.H. to |
|                                    |          | (X)      | (X)      |          |        |           |           |           |

|              |                           |             |          |
|--------------|---------------------------|-------------|----------|
| Date Spudded | Date Comp. Ready to Prod. | Total Depth | P.B.T.D. |
| 8/04/81      | 8/31/81                   | 3001'       | 2853'    |

|                                |                             |                 |              |
|--------------------------------|-----------------------------|-----------------|--------------|
| Elevations (D/E, RT, GR, etc.) | Name of Producing Formation | Top Oil/Gas Day | Tubing Depth |
| 6299' GR                       | Pictured Cliffs             | 2230'           | 2885'        |

|                                              |                    |
|----------------------------------------------|--------------------|
| Perforations                                 | Length Casing Shoe |
| 2230, 32, 36, 38, 40, 42, 52, 54, 56, 68, 60 |                    |

TUBING, CASING, AND CEMENTING RECORD

|           |                      |           |                   |
|-----------|----------------------|-----------|-------------------|
| HOLE SIZE | CASING & TUBING SIZE | DEPTH SET | SACKS CEMENT      |
| 12 1/4"   | 8 5/8"               | 203'      | 225 sx. Class "B" |
| 7 7/8"    | 2 7/8"               | 2885'     | 925 sx. 50/50 Poz |

TEST DATA AND REQUEST FOR ALLOWABLE (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. |
|                          |           |             |



GAS WELL

|                         |                |                       |                       |
|-------------------------|----------------|-----------------------|-----------------------|
| Actual Prod. Test-MCF/D | Length of Test | Bbls. Condensate/MMCF | Gravity of Condensate |
| 226                     | 3 hours        |                       |                       |

|                                 |                           |                           |            |
|---------------------------------|---------------------------|---------------------------|------------|
| Testing Method (Flow, back pr.) | Tubing Pressure (Shut-in) | Casing Pressure (Shut-in) | Choke Size |
| Back Pressure                   | 746                       |                           | .75        |

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]* for John H. Hill, et al  
on behalf of Supron Energy Corp.  
Drilling and Production Manager  
September 10, 1981

OIL CONSERVATION DIVISION

APPROVED **SEP 18 1981**

Original Signed by **FRANK T. CHAVEZ**

BY **SUPERVISOR DISTRICT # 3**

TITLE

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

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

All sections of this form must be filled out completely for all wells on new and existing oil wells.

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

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