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Appropriate District Office  
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-104  
Revised 1-1-89  
See Instructions  
at Bottom of Page

DISTRICT II  
P.O. District Office, Albuquerque, NM 87106

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

REQUEST FOR ALLOWABLE AND AUTHORIZATION  
TO TRANSPORT OIL AND NATURAL GAS

|                                                                                         |                                                                            |                              |
|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------------|------------------------------|
| I. Operator<br>Meridian Oil Inc.                                                        |                                                                            | Well API No.<br>30-039-24843 |
| Address<br>PO Box 4289, Farmington, NM 87499                                            |                                                                            |                              |
| Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain) |                                                                            |                              |
| New Well <input checked="" type="checkbox"/>                                            | Change in Transporter of:                                                  |                              |
| Recompletion <input type="checkbox"/>                                                   | Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>              |                              |
| Change in Operator <input type="checkbox"/>                                             | Condensed Gas <input type="checkbox"/> Condensate <input type="checkbox"/> |                              |
| If change of operator give name and address of previous operator                        |                                                                            |                              |

II. DESCRIPTION OF WELL AND LEASE

|                                                                                                                                                           |                 |                                                        |                                         |                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------|-----------------------------------------|------------------|
| Lease Name<br>San Juan 29-7 Unit                                                                                                                          | Well No.<br>551 | Pool Name, including Formation<br>Basin Fruitland Coal | Kind of Lease<br>State (Federal) or Fee | Lease No.<br>FEE |
| Location<br>Unit Letter K : 1625 Feet From The South Line and 1500 Feet From The West Line<br>Section 11 Township 29N Range 07W, NMPLM, Rio Arriba 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"/>        | Address (Give address to which approved copy of this form is to be sent)<br>Meridian Oil Inc., PO Box 4289, Farmington, NM 87499         |         |          |          |                                                     |       |
| Name of Authorized Transporter of Condensed 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)<br>El Paso Natural Gas Co., P.O. Box 4299, Farmington, NM 87499 |         |          |          |                                                     |       |
| If well produces oil or liquids, give location of tanks.                                                                | Unit K                                                                                                                                   | Sec. 11 | Twp. 29N | Rge. 07W | Is gas actually connected? <input type="checkbox"/> | 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 |
|                                                                                                           |                                               | X        | X                        |          |                       |           |            |            |
| Date Spudded<br>08/28/90                                                                                  | Date Compl. Ready to Prod.<br>06/13/91        |          | Total Depth<br>3180'     |          | P.B.T.D.              |           |            |            |
| Elevations (DF, RKB, RT, GR, etc.)<br>6283' GL                                                            | Name of Producing formation<br>Fruitland Coal |          | Top Oil/Gas Pay<br>2900' |          | Tubing Depth<br>3110' |           |            |            |
| Performances<br>2900-01', 2905-07', 2911-13', 2961-64', 3078-79', 3087-97',<br>3100-04', 3106-39' w/2 spf |                                               |          |                          |          | Depth Casing Shoe     |           |            |            |

TUBING, CASING AND CEMENTING RECORD

|           |                      |           |              |
|-----------|----------------------|-----------|--------------|
| HOLE SIZE | CASING & TUBING SIZE | DEPTH SET | SACKS CEMENT |
| 12 1/4"   | 9 5/8"               | 229'      | 189 cu.ft.   |
| 8 3/4"    | 7"                   | 2876'     | 973 cu.ft.   |
| 6 1/4"    | 4 1/2"               | 3179'     | 147 cu.ft.   |
|           | 2 3/8"               | 3110'     |              |

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 low 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/MCF                 | Gravity of Gas |
| Testing Method (press. back pr.)<br>backpressure | Tubing Pressure (Shot-in)<br>SI 1110 | Casing Pressure (Shot-in)<br>SI 1115 | 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  
Denny Bradfield  
Printed Name  
Denny Bradfield  
Date  
7-17-91  
Reg. Affairs Title  
326-9700  
Telephone No.

OIL CONSERVATION DIVISION

Date Approved JUL 18 1991

By Brian J. Chang  
SUPERVISOR DISTRICT #3  
Title

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.