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| U.S.U.S.               |     |
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| TRANSPORTER            | OIL |
|                        | GAS |
| OPERATOR               |     |
| PRODUCTION OFFICE      |     |

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

REVISED 10-1-78

REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

|                                                                   |                                                                                        |
|-------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| Operator<br><b>Lively Exploration Company</b>                     |                                                                                        |
| Address<br><b>1300 Post Oak Blvd. #1900, Houston, Texas 77056</b> |                                                                                        |
| Reason(s) for filing (Check proper box)                           | Other (Please explain)                                                                 |
| New Well <input type="checkbox"/>                                 | Change in Transporter of:                                                              |
| Recompletion <input type="checkbox"/>                             | Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>                          |
| Change in Ownership <input type="checkbox"/>                      | Casinghead Gas <input type="checkbox"/> Condensate <input checked="" type="checkbox"/> |

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

I. DESCRIPTION OF WELL AND LEASE

|                                                                                                            |                      |                                                       |                                                       |                               |
|------------------------------------------------------------------------------------------------------------|----------------------|-------------------------------------------------------|-------------------------------------------------------|-------------------------------|
| Lease Name<br><b>Lively</b>                                                                                | Well No.<br><b>4</b> | Pool Name, Including Formation<br><b>Basin Dakota</b> | Kind of Lease<br>State, Federal or Fee <b>Federal</b> | Lease No.<br><b>SF078502A</b> |
| Location                                                                                                   |                      |                                                       |                                                       |                               |
| Unit Letter <b>D</b> : <b>900</b> Feet From The <b>North</b> Line and <b>900</b> Feet From The <b>West</b> |                      |                                                       |                                                       |                               |
| Line of Section <b>14</b> Township <b>29N</b> Range <b>8W</b> , NMPM, <b>San Juan</b> County               |                      |                                                       |                                                       |                               |

II. 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) |
| <b>Gary Energy Corporation</b>                                                                                           | <b>P. O. Box 489, Bloomfield, New Mexico 87413</b>                       |
| Name of Authorized Transporter of Casinghead 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) |
| <b>El Paso Natural Gas Company</b>                                                                                       | <b>P. O. Box 4289, Farmington, New Mexico 87499</b>                      |
| If well produces oil or liquids, give location of tanks.                                                                 | Unit Sec. Twp. Rge. Is gas actually connected? When                      |
|                                                                                                                          | <b>D 14 29N 8W Yes</b>                                                   |

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

III. 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      |           |             |              |
|                                      |                             |          |                 |          |                   |           |             |              |
|                                      |                             |          |                 |          |                   |           |             |              |
|                                      |                             |          |                 |          |                   |           |             |              |
|                                      |                             |          |                 |          |                   |           |             |              |

IV. 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                               | Choke Size |
| Actual Prod. During Test        | Oil-Bbls.       | Water-Bbls.                                   | Gas-MCF    |

GAS WELL

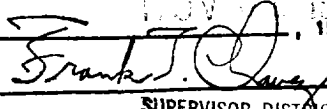
|                                  |                           |                           |                       |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| Actual Prod. Test-MCF/D          | Length of Test            | Bbls.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

V. 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)  
**Executive Vice President**  
(Title)  
**3 October 1984**  
(Date)

OIL CONSERVATION DIVISION

APPROVED \_\_\_\_\_  
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 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.