

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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| TRANSPORTER | OIL | |
| | GAS | |
| OPERATOR | | |
| 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

I. Operator
Smith & Marrs, Inc.

Address
P.O. Box 863, Kermit, TX 79745

Reason(s) for filing (Check proper box)

| | | | |
|---|---|--|----------------------------------|
| <input type="checkbox"/> New Well | Change in Transporter of: | Other (Please explain) Ownership Change effective 8/1/88 | |
| <input type="checkbox"/> Recompletion | <input type="checkbox"/> Oil | | |
| <input checked="" type="checkbox"/> Change in Ownership | <input type="checkbox"/> Casinghead Gas | | <input type="checkbox"/> Dry Gas |
| | | <input type="checkbox"/> Condensate | |

If change of ownership give name and address of previous owner J. R. Cone, P.O. Box 10217, Lubbock, TX 79408

II. DESCRIPTION OF WELL AND LEASE

| | | | | |
|--|---------------|--|--|-----------|
| Lease Name Cone Jalmat Yates Pool Unit Tr. 7 | Well No. 3 | Pool Name, including Formation Jalmat Tansil Yates SR | Kind of Lease State, Federal or Fee State | Lease No. |
| Location Unit Letter G ; 1980 Feet From The North Line and 1650 Feet From The East Line of Section 25 Township 22S Range 35 E , NMPM, Lea 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"/> Texas New Mexico Pipe Line Co. | Address (Give address to which approved copy of this form is to be sent) P.O. Box 2528, Hobbs, NM 88241 | | | | | |
| Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> GPM Gas Corporation Phillips Petroleum Co. 6000 Hall Blvd | Address (Give address to which approved copy of this form is to be sent) EFFECTIVE February 1, 1992 4001 Penbrook, Odessa, TX 79762 | | | | | |
| If well produces oil or liquids, give location of tanks. | Unit A | Sec. 25 | Twp. 22 | Rge. 35 | Is gas actually connected? Yes | When Unknown |

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

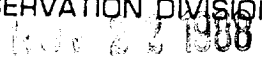
NOTE: Complete Parts IV and V on reverse side if necessary.

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)
Agent
(Title)
11/4/88
(Date)

OIL CONSERVATION DIVISION

APPROVED  19
BY ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR
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.