DESCRIPTION WELL	U	S	T	R	MC	OIL ALLOWABLE	MP	STAT	EX	OIL PRODUCTION	CSG HD ALLOWABLE	GAS PRODUCTION	WATER PRODUCTION	DAYS PROD	GAS DISPOSITION VOLUME	DISP	EX	CUMULATIVE GAS O/P	OIL RUNS VOLUME	DISP	EX	CUMULATIVE OIL O/P	ENDING OIL STORAGE	LAND CODES	WELL COUNT
															428	LSE									
INDIAN BASIN D																									
1K	34	21S	23E			694				694		201285	21	31	200404	MAR		201285	515	SOP			241	F	1
															881	LSE									
INDIAN BASIN E																									
1K	27	21S	23E			619				619		183478	51	31	182675	MAR		183478	461	SOP			214	F	1
															803	LSE									
INDIAN HILLS UNIT																									
2O	20	21S	24E					S				LAST PROD. DATE 02/80												U	F
4K	28	21S	24E					S				LAST PROD. DATE 02/80												U	F
5N	33	21S	24E					S				T A, APPROVED 10/75												B	F
LEASE TOTAL																								UF	3
INDIAN HILLS UNIT GAS COM																									
3F	29	21S	24E			176				176		28933	894	31	28806	MAR		28933	132	SOP			61	CF	1
															127	LSE									
NORTH INDIAN BASIN UNIT																									
1M	10	21S	23E	2		343				343		50829	10820	31				50829						U	F
4J	16	21S	23E			349				349		141479	169	31				141479						U	S
5J	9	21S	23E					S				LAST PROD. DATE 01/89												U	F
8N	9	21S	23E			603				603		129733	841	31				129733						U	F
LEASE TOTAL						1295				1295		322041	11830		320632	MAR			981	SOP			449	UFS	4
															1409	LSE									
NORTH INDIAN BASIN UNIT GAS COM																									
3K	3	21S	23E			139				139		29632	3647	31	29502	MAR		29632	106	SOP			48	BF	1
															130	LSE									
NORTH INDIAN BASIN UNIT GAS COM A																									
6J	4	21S	23E					S				LAST PROD. DATE 03/89												BF	1
J C WILLIAMSON STANDARD FED GAS COM																									
1G	19	21S	23E			1				1			782	31					1	SOP				CF	1
COMPANY TOTAL						4445				4445		1216679	20285						3337				1555		21
MUSSELMAN, OWEN & KING OPER. INC.												**********													
SMITH FEDERAL																									
1G	1	22S	23E					S				LAST PROD. DATE 09/86											26	F	1
2L	1	22S	23E					S				LAST PROD. DATE 12/91											26	F	1
COMPANY TOTAL																							52		2
W PET. CORP												**********													
FEDERAL C																									
1F	35	21S	23E			179				179		58397	4106	24	56849	NGP		58397	179	SOP				F	1
															1548	LSE									
OC FEDERAL GAS COM																									
1F	13	22S	23E					S				LAST PROD. DATE 02/92												CF	1
2D	13	22S	23E					S				LAST PROD. DATE 12/92											48	F	1
MITH FEDERAL																									
1F	11	22S	23E			415				415		123811	102	30	122011	MWP		123811	532	AMO			259	F	1
															1800	LSE									
ITH FEDERAL GAS COM																									
2E	12	22S	23E									217			217	LSE		217					179	CF	1
OMPANY TOTAL						594				594		182425	4208						711				486		5
YX ENERGY CO.												**********													
IGHT FEDERAL GAS COM																									
1G	21	21S	23E			467				467		172387	93	31	171808	NGP		172387	343	SPC			158	CF	1
															579	LSE									
NELL FEDERAL																									
2P	18	21S	23E			86				86		66287	204	31	65447	NGP		66287	63	SPC			29	CF	1
															840	LSE									
CO STATE GAS COM																									
1F	2	22S	23E			965				965		170163	121	31	169461	NGP		170163	716	SPC			325	C S	1
															702	LSE									
ERAL 28																									
1G	28	21S	23E			667				667		177477	59	31	177195	NGP		177477	482	SPC			225	F	1
															282	LSE									
INDIAN BASIN UNIT GAS COM																									
17	21S	23E			602				602		178884	93	31				178884						U	F	
20	21S	23E					S				LAST PROD. DATE 12/91												B	F	
EASE TOTAL						602				602		178884	93		177973	NGP			803	SPC			828	BF	2

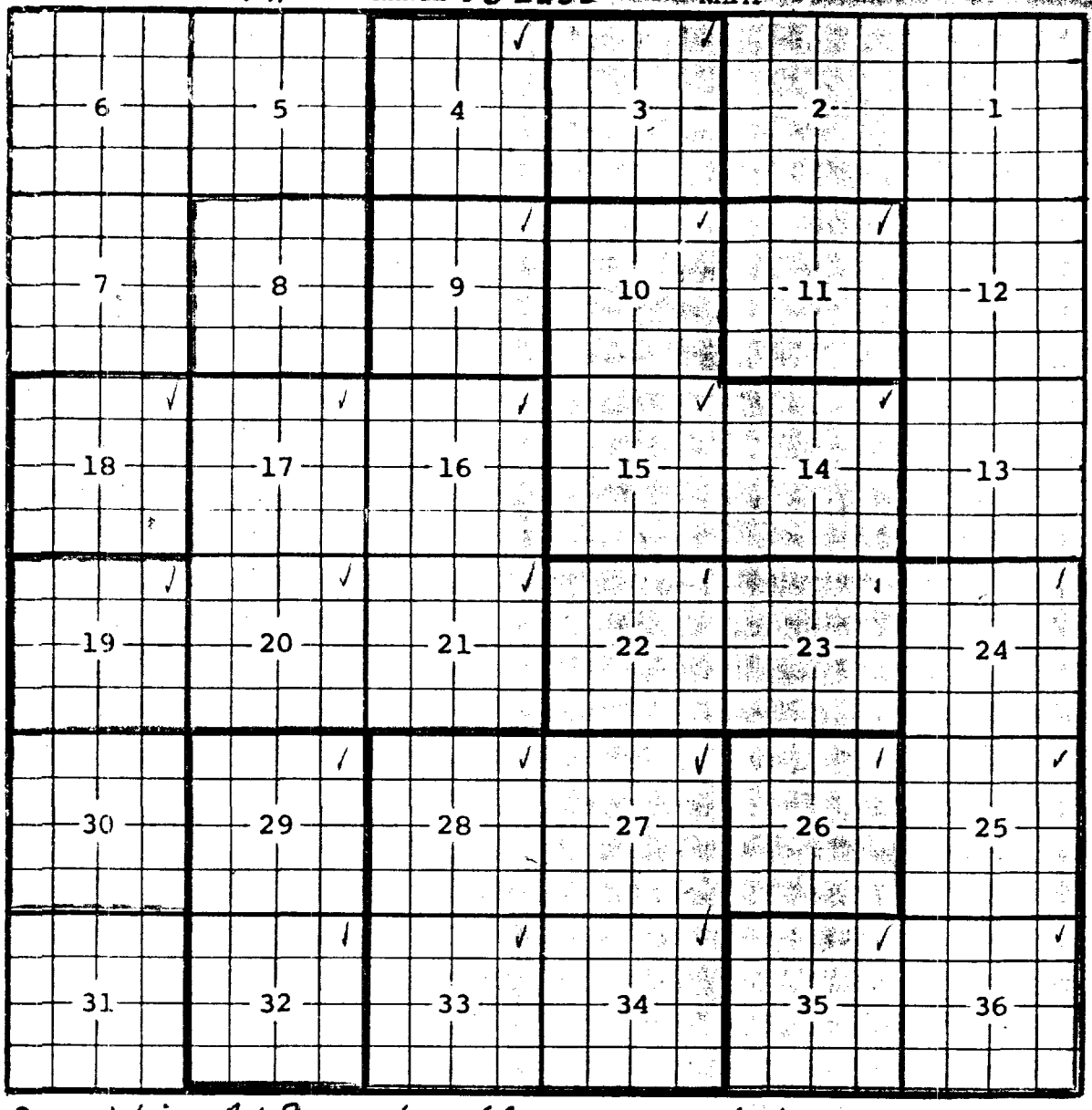
DESCRIPTION						OIL ALLOWABLE	MP	STATUS	OIL PRODUCTION	CSG HD ALLOWABLE	GAS PRODUCTION	WATER PRODUCTION	DAYS PROD	GAS DISPOSITION		EX	CUMULATIVE GAS O/P	OIL RUNS		EX	CUMULATIVE OIL O/P	ENDING OIL STORAGE	LAND CODES	WELL COUNT
WELL	UL	S	T	R	MC									VOLUME	DISP			VOLUME	DISP					
INDIAN HILLS UNIT																								
2D	20	21S	24E					S			LAST PROD. DATE 02/80													
4K	28	21S	24E					S			LAST PROD. DATE 02/80													
5N	33	21S	24E					S			T A, APPROVED 10/75													
LEASE TOTAL																							UF	3
INDIAN HILLS UNIT GAS COM																								
3F	29	21S	24E			193			193		31637	6119	31	31500	MAR		381098	201	SOP			17	CF	1
														137	LSE									
NORTH INDIAN BASIN UNIT																								
1M	10	21S	23E	2		358			358		54636	8427	31				661595						U	F
4J	16	21S	23E			433			433		158747	148	31				1888441						U	S
5J	9	21S	23E					S			LAST PROD. DATE 01/89												U	F
8N	9	21S	23E			745			745		151359	1015	31				1804095						U	F
LEASE TOTAL						1536			1536		364742	9590		1585	LSE			1579	SOP			139	UFS	4
														363157	MAR									
NORTH INDIAN BASIN UNIT GAS COM																								
3K	3	21S	23E			176			176		30575	3378	31	30442	MAR		370458	179	SOP			16	BF	1
														133	LSE									
NORTH INDIAN BASIN UNIT GAS COM A																								
9J	4	21S	23E					S			LAST PROD. DATE 03/89												BF	1
J C WILLIAMSON STANDARD FED GAS COM																								
1G	19	21S	23E			1			1			739	31				49843	1	SOP				CF	1
COMPANY TOTAL						4916			4916		1285141	23712						5072				460		21
MUSSELMAN, OWEN & KING OPER. INC.											**********													
SMITH FEDERAL																								
1G	1	22S	23E					S			LAST PROD. DATE 09/86											26	F	1
2L	1	22S	23E					S			LAST PROD. DATE 12/91											26	F	1
COMPANY TOTAL																						52		2
NW PET. CORP											**********													
FEDERAL C																								
1F	35	21S	23E			304			304		73898	6384	27	72156	NGP		1551623	304	SOP				F	1
														1742	LSE									
OXY FEDERAL GAS COM																								
1F	13	22S	23E					S			LAST PROD. DATE 02/92						2						CF	1
2D	13	22S	23E								3448	1388	5	3156	*WP		215188					48	F	1
														290	LSE			182	SCP					
																		*7	BSW					
SMITH FEDERAL																								
1F	11	22S	23E			448			[illegible]		156480	38	31	154620	*WP		1[illegible]631	31	SCP			376	F	1
														1860	LSE									
SMITH FEDERAL GAS COM																								
2E	12	22S	23E					S			LAST PROD. DATE 04/92						1[illegible]962					179	CF	1
COMPANY TOTAL						752			752		233824	7810						870				603		5
OXY ENERGY CO.											**********													
BRIGHT FEDERAL GAS COM																								
1G	21	21S	23E			385			385		141872	89	31	141872	*GP		[illegible]38711	41	SPC			34	CF	1
BUNNELL FEDERAL																								
2P	18	21S	23E			70			70		41305	186	31	40264	*GP		533959	74	SPC			8	CF	1
														1042	SE									
UNICO STATE GAS COM																								
1F	2	22S	23E			87			72		187908	124	31	187908	*GP		2031761	860	SPC			76	C S	1
FEDERAL 29																								
1G	29	21S	23E			457			457		158450	58	30	158450	*GP		1922175	499	SPC			40	F	1
WEST INDIAN BASIN UNIT GAS M																								
1N	17	21S	23E			785			785		171226	93	31				1842203						U	F
2G	20	21S	23E					S			LAST PROD. DATE 12/91												B	F
LEASE TOTAL						785			785		171226	93		170315	NGP			598	SPC			283	BF	2
														911	LSE									
UNO STATE GAS COM																								
1F	36	21S	23E	2				S			LAST PROD. DATE 06/85												C S	1
COMPANY TOTAL						2572			772		710762	550						2462				439		7
VIA FE ENERGY OPERATING PARTNERS, L.P.											**********													
INDIAN BASIN F																								
LM	25	21S	23E			3			3			2	1									160	F	1

DESCRIPTION WELL	UL	S	T	R	MC	OIL ALLOWABLE	MP	SA	EX	OIL PRODUCTION	CSG HD ALLOWABLE	GAS PRODUCTION	WATER PRODUCTION	DAYS PROD	GAS DISPOSITION VOLUME	DISP	EX	CUMULATIVE GAS O/P	OIL RUNS VOLUME	DISP	EX	CUMULATIVE OIL O/P	ENDING OIL STORAGE	LAND CODES	WELL COUNT
1	F	35	21S	23E		321				321		21671		20	20599	NGP		80068	321	AMO				F	
															1072	LSE									
HOC FEDERAL GAS COM																									
1	F	13	22S	23E				S				LAST PROD. DATE		02/92										CF	
2	D	13	22S	23E				S				LAST PROD. DATE		12/92									48	F	
SMITH FEDERAL																									
1	F	11	22S	23E		492				492		124330		28	122650	NGP		248141	391	AMO			360	F	
															1680	LSE									
SMITH FEDERAL GAS COM																									
2	E	12	22S	23E				S				LAST PROD. DATE		01/93				217					179	CF	
COMPANY TOTAL						813				813		146001							712				587		
ORYX ENERGY CO.												**********													
BRIGHT FEDERAL GAS COM																									
1	G	21	21S	23E		464				464		172754	84	28	172754	NGP		345141	451	SPC			171	CF	
BUNNELL FEDERAL																									
2	P	18	21S	23E		77				77		61522	364	28	60816	NGP		127809	78	SPC			28	CF	
															706	LSE									
CONOCO STATE GAS COM																									
1	F	2	22S	23E		723				723		160571	84	28	160101	NGP		330734	783	SPC			265	C S	
															470	LSE									
FEDERAL 28																									
1	G	28	21S	23E		437				437		162578	28	28	162564	NGP		340055	502	SPC			160	F	
															14	LSE									
WEST INDIAN BASIN UNIT GAS COM																									
1	N	17	21S	23E		567				567		173762	84	28				352646						U	F
2	G	20	21S	23E				S				LAST PROD. DATE		12/91										B	F
LEASE TOTAL						567				567		173762	84		172939	NGP			401	SPC			248	BF	
															823	LSE									
LOWE STATE GAS COM																									
1	F	36	21S	23E	Z			S				LAST PROD. DATE		06/85										C S	
COMPANY TOTAL						2268				2268		731187	644						2215				872		
SANTA FE ENERGY OPERATING PARTNERS, L.P.												**********													
INDIAN BASIN F																									
1	K	25	21S	23E									12	1									163	F	
ROARING SPRINGS FED																									
1	E	14	21S	23E				FS																F	
COMPANY TOTAL													12										163		
SENDERO PET. INC.												**********													
PRONGHORN FED. COM.																									
1	P	8	21S	23E		7				7		1389	5	28	1389	MAR		3023					85	CF	
TEXACO EXPLORATION & PRODUCTION INC.												**********													
NEW MEXICO OF STATE COM																									
1	J	32	21S	23E		244				244		90046	24	28	90043	MAR		190254	248	SCP			93	C S	
															3	LSE									
POOL TOTAL						11273				11273		3557892	27433						11005				4710		
INDIAN FLATS ATOKA (GAS)											PA	11M TO 12M													
BASS ENTERPRISES PRODUCTION CO.												**********													
BIG EDDY																									
70	B	26	21S	28E				S				LAST PROD. DATE		02/90									38	UF	
41	J	35	21S	28E				S				LAST PROD. DATE		12/87										U	F
66	K	25	21S	28E								666		17				1646						U	F
74	B	25	21S	28E								274		7				1144						U	F
LEASE TOTAL												940			869	NGP							100	UF	
															71	LSE									
BIG EDDY UNIT																									
92	L	14	21S	28E		2				2		3586	468	26	3510	NGP		7591					44	UF	
															76	LSE									
COMPANY TOTAL						2				2		4526	468										182		
POOL TOTAL						2				2		4526	468										182		

LAND CODES	WELL COUNT	DESCRIPTION WELL	U/L	S	T	R	MC	OIL ALLOWABLE	MP	STAT	EX	OIL PRODUCTION	CSG HD ALLOWABLE	GAS PRODUCTION	WATER PRODUCTION	DAYS PROD	GAS DISPOSITION VOLUME	DISP	EX	CUMULATIVE GAS O/P	OIL RUNS VOLUME	DISP	EX	CUMULATIVE OIL O/P	ENDING OIL STORAGE	LAND CODES	WELL COUNT
CF		6J	4	21S	23E					S				LAST PROD. DATE 03/89												BF	1
		J C WILLIAMSON STANDARD FED GAS COM																									
		1G	19	21S	23E			3				3			1181	30										CF	1
BF		COMPANY TOTAL						4387				4387		1244982	15100					49843	4809				616		21
		MUSSELMAN, OWEN & KING OPER. INC.												**********													
CF		SMITH FEDERAL																									
		1G	1	22S	23E					S				LAST PROD. DATE 09/86											26	F	1
		2L	1	22S	23E					S				LAST PROD. DATE 12/91											26	F	1
CF		COMPANY TOTAL																							52		2
	1	MW PET. CORP												**********													
		FEDERAL C																									
		1F	35	21S	23E			426				426		76791	5960	27	75049 1742	NGP LSE	1	477729	426	SOP				F	1
CF		HOC FEDERAL GAS COM																									
		1F	13	22S	23E					S				LAST PROD. DATE 02/92						2						CF	1
CF		2D	13	22S	23E			93				93		20316	7314	28	18692 1624	MWP LSE		212742					277	F	1
	2	SMITH FEDERAL																									
		1F	11	22S	23E			420				420		137420	40	30	135620 1800	MWP LSE	1	435151	337	AMO			265	F	1
CF	1	SMITH FEDERAL GAS COM																									
		2E	12	22S	23E					S				LAST PROD. DATE 04/92						167962					179	CF	1
		COMPANY TOTAL						939				939		234527	13314						763				721		5
CF	1	DRYX ENERGY CO.												**********													
		BRIGHT FEDERAL GAS COM																									
		1G	21	21S	23E			458				458		165901	90	30	165901	NGP	1	586839	508	SPO			60	CF	1
CF	1	BUNNELL FEDERAL																									
		2P	18	21S	23E			76				76		55930	180	30	54888 1042	NGP LSE		551653	92	SPO			10	CF	1
JF	1	CONOCO STATE GAS COM																									
F	1	1F	2	22S	23E			632				632		183501	120	30	183501	NGP	1	843853	578	SPO			84	C S	1
		FEDERAL 28																									
		1G	28	21S	23E			607				607		197930	60	30	197930	NGP	1	753725	638	SPO			80	F	1
	F	WEST INDIAN BASIN UNIT GAS COM																									
	F	1N	17	21S	23E			490				490		202352	90	30				1670977						U	F
F	2	2G	20	21S	23E					S				LAST PROD. DATE 12/91												B	F
		LEASE TOTAL						490				490		202352	90		201441 911	NGP LSE			600	SPO			95	BF	2
F	1	LOWE STATE GAS COM																									
		1F	36	21S	23E2					S				LAST PROD. DATE 06/85												C S	1
F	1	COMPANY TOTAL						2263				2263		805614	540						2416				329		7
		SANTA FE ENERGY OPERATING PARTNERS, L.P.												**********													
F	1	INDIAN BASIN F																									
		1K	25	21S	23E									LAST PROD. DATE 09/92											157	F	1
		ROARING SPRINGS FED																								F	
	F	1E	14	21S	23E					FS																	1
	F	COMPANY TOTAL																							157		2
	F	SENDERO PET. INC.												**********													
IF	3	PRONGHORN FED. COM.																									
F	1	1P	8	21S	23E			11				11		1594	3	30	1594	MAR		18346					64	CF	1
		TEXACO EXPLORATION & PRODUCTION INC.												**********													
	F	NEW MEXICO DF STATE COM																									
	S	1J	32	21S	23E			247				247		108750	30	30	108747 3	MAR LSE		1192613	271	SOP			34	C S	1
	F	POOL TOTAL						11569				11569		3724050	30332						12237				2408		52
	D	INDIAN FLATS ATOKA (GAS)											PA	11M TO 12M													
FS	4																										
F	1	BASS ENTERPRISES PRODUCTION CO.												**********													
		BIG EDDY																									
		20B	26	21S	28E					S				LAST PROD. DATE 02/90											38	UF	1

COUNTY Eddy POOL Indian Basin-Upper Pennsylvanian Gas

TOWNSHIP 21 South RANGE 23 East NMPM



Description: All Sec. 22 & 23 (R-2440, 2-28-63)
Ext: All Sec. 10, 14 & 15 (R-2569, 10-1-63) - All Sec 26 (R-2679, 4-1-64)
- All Sections 16, 17, 19, 20, 21, 24, 25, 35 & 36 (R-2726, 7-1-64)
- All Secs. 9, 11, 27, 28, 33 & 34 (R-2911, 6-1-65) - All Sec. 3 (R-2946, 9-1-65)
- All Sec. 18 (R-3030, 2-1-66) - All Sec. 29 & 32 (R-3056, 5-1-66) - All Sec. 4 (R-3342, 12-1-67)
Ext: All Sec 30 (R-6652, 4-20-81) EXT: All SEC 8 (R-9418, 2-1-91)

Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I.

Operator	Well API No.

Address

Reason(s) for Filing *(Check proper box)*

New Well ☐
Recompletion ☐
Change in Operator ☐

Change in Transporter of:
Oil ☐ Dry Gas ☐
Casinghead Gas ☐ Condensate ☐

Other *(Please explain)* ☐

If change of operator give name and address of previous operator _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, Including Formation	Kind of Lease State, Federal or Fee	Lease No.

Location

Unit Letter _____ : _____ Feet From The _____ Line and _____ Feet From The _____ Line

Section Township Range , NMPM, County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil ☐ or Condensate ☐	Address *(Give address to which approved copy of this form is to be sent)*
Name of Authorized Transporter of Casinghead Gas ☐ or Dry Gas ☐	Address *(Give address to which approved copy of this form is to be sent)*

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

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

Printed Name Title

Date Telephone No.

OIL CONSERVATION DIVISION

Date Approved _____

By _____

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.

Submit 3 Copies to Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I.

Operator	Well API No.
MW Petroleum Corporation	30-015-10403

Address: 1700 Lincoln St., Suite 1900, Denver, Co. 80203

Reason(s) for Filing *(Check proper box)*

- New Well [ ]
- Recompletion [ ]
- Change in Operator [X]
- Change in Transporter of: Oil [ ] Dry Gas [ ] Casinghead Gas [ ] Condensate [ ]
- Other *(Please explain)* [ ]

If change of operator give name and address of previous operator: Amoco Production Company, P.O. Box 591, Tulsa, Ok 74102

II. DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, Including Formation	Kind of Lease	Lease No.
Federal C	1	Indian Basin - Upper Penn	State, (Federal) or Fee	NM 06953

Location

Unit Letter F : 1650 Feet From The North Line and 1650 Feet From The West Line

Section 35 Township 21-S Range 23-E , NMPM, Eddy County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil or Condensate	Address *(Give address to which approved copy of this form is to be sent)*
Scurlock Permian Corporation [X]	P.O. Box 4648, Houston, Tx 77210
Name of Authorized Transporter of Casinghead Gas or Dry Gas	Address *(Give address to which approved copy of this form is to be sent)*
Marathon Oil Company [X]	P.O. Box 552, Midland, Tx 79702

If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected?	When ?
	F	35	21	23	Yes	1/26/66

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

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

Barbara A. Ellis — Operations Clerk
Printed Name — Title

12/2/91 — (713) 953-5364
Date — Telephone No.

OIL CONSERVATION DIVISION

Date Approved DEC 5 1991

By Mike Williams

Title SUPERVISOR, DISTRICT II

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Example

STATE OF NEW MEXICO
ENERGY, MINERALS, AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 10423
Order No. R-9619

APPLICATION OF MW PETROLEUM
CORPORATION/APACHE CORPORATION
FOR AN UNORTHODOX GAS WELL
LOCATION, EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on December 5, 1991, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 20th day of December, 1991, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) The applicant, MW Petroleum Corporation/Apache Corporation, seeks approval of an unorthodox gas well location 330 feet from the North and West lines (Unit D) of Section 13, Township 22 South, Range 23 East, NMPM, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant proposes to simultaneously dedicate all of said Section 13 to the above-described well and to the existing Amoco Production Company HOC Federal Gas Com Well No. 1 located in Unit F of Section 13, forming a standard 640-acre gas spacing and proration unit.

(3) The proposed well is located within the Indian Basin-Upper Pennsylvanian Gas Pool and is therefore subject to the Special Rules and Regulations for said pool as promulgated by Division Order Nos. R-2440 and R-8170, as amended, which require standard 640-acre proration units with wells to be located no closer than 1650 feet from the outer boundary of the section nor closer than 330 feet from any governmental quarter-quarter section line.

(4) At the time of the hearing, the applicant testified that should commercial gas production be established within the proposed well, it intends to plug and abandon the aforesaid HOC Federal Gas Com Well No. 1.

(5) Marathon Oil Company, the affected offset operator to the west of the proposed location, appeared at the hearing but did not present evidence or testimony.

(6) According to applicant's evidence and testimony, the HOC Federal Gas Com Well No. 1 currently produces approximately 10-15 MCF gas per day from the subject pool.

(7) Applicant proposes to drill the subject well in order to recover the remaining gas reserves underlying Section 13.

(8) The applicant presented geologic evidence and testimony which indicate that a well drilled at the proposed location should penetrate the Indian Basin-Upper Pennsylvanian Gas Pool at a structurally higher position and in an area of greater dolomite thickness than was encountered in the aforesaid HOC Federal Gas Com Well No. 1 which was drilled at a standard gas well location 1650 feet from the North and West lines (Unit F) of Section 13.

(9) The evidence presented indicates that a well drilled at the proposed location should enable the applicant to produce the remaining gas reserves underlying Section 13.

(10) The applicant requested that a voluntary 62% production penalty (38% allowable) be assessed against the subject well's gas allowable in the currently prorated Indian Basin-Upper Pennsylvanian Gas Pool, said production penalty having been agreed to by MW Petroleum Corporation/Apache Corporation and Marathon Oil Company prior to the hearing. Marathon and the applicant used different methods to arrive at the proposed allowable restriction, and the methods show that the restriction is reasonable.

(11) In order to assure that correlative rights are protected, the proposed production penalty should be adopted in this case.

(12) No other offset operator and/or interest owner appeared at the hearing in opposition to the application.

(13) Approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the affected pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED THAT:

(1) The applicant, MW Petroleum Corporation/Apache Corporation, is hereby authorized to drill a well at an unorthodox gas well location 330 feet from the North and West lines (Unit D) of Section 13, Township 22 South, Range 23 East, NMPM, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico.

(2) All of Section 13 shall be dedicated to the above-described well forming a standard 640-acre gas spacing and proration unit for said pool.

(3) For gas allowable purposes, the subject well shall be assigned an acreage factor of 0.38 in the Indian Basin-Upper Pennsylvanian Gas Pool.

(4) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
Director

S E A L