

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

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| TRANSPORTER            | OIL |
|                        | GAS |
| OPERATOR               |     |
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OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-104  
Revised 12-01-78  
Format 06-01-83  
Page 1

REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I.

|  |   |
|--|---|
| Operator<br>Marathon Oil Company                 |   |
| Address<br>P. O. Box 552, Midland, Texas 79702   |   |
| Reason(s) for filing (Check proper box)          |   |
| <input type="checkbox"/> New Well                | Change in Transporter of:   |
| <input checked="" type="checkbox"/> 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 |
| Other (Please explain)                           |   |

If change of ownership give name  
and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

|                        |                  |   |  |                       |
|------------------------|------------------|---|--|-----------------------|
| Lease Name<br>Lea Unit | Well No.<br>7    | Pool Name, including Formation<br>Lea - Bone Spring | Kind of Lease<br>State, Federal or Free Fed. | Lease No.<br>NM02127B |
| Location               |                  |   |  |                       |
| Unit Letter<br>N       | 660              | Feet From The<br>South                              | Line and<br>1980                             | Feet From The<br>West |
| Line of Section<br>12  | Township<br>20-S | Range<br>34-E                                       | NMPM,<br>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"/> | Address (Give address to which approved copy of this form is to be sent) |
| Texas-New Mexico Pipeline Company  | P. O. Box 1510, Midland, Texas 79702                                     |
| Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or GPM Gas Corporation      | Address (Give address to which approved copy of this form is to be sent) |
| Phillips Petro. Co. - Eunice Plant Syst.   | 4001 Pembroke Bldg., Odessa, Texas 79760                                 |
| If well produces oil or liquids,<br>give location of tanks.  | Unit Sec. Twp. Rge. is gas actually connected? When                      |
| L 12 20-S 34-E   | yes June 25, 1987  |

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.

*Cue M. Pungle*  
(Signature)  
Engineer  
(Title)  
July 1, 1987  
(Date)

OIL CONSERVATION DIVISION  
APPROVED JUL 6 1987, 19  
BY ORIGINAL SIGNED BY JERRY SEXTON  
TITLE DISTRICT I SUPERVISOR

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.

*mp*

#### 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      |                              |             | X            |
| Date Spudded<br>9-26-61  | Date Compl. Ready to Prod.<br>Recompl. 6-17-87 | Total Depth<br>14,541'    |          |          | P.B.T.D.<br>9888'     |        |                              |             |              |
| Elevations (DF, RKB, RT, GR, etc.)<br>GR: 3657'; KB: 3678'                           | Name of Producing Formation<br>Bone Spring     | Top Oil/Gas Pay<br>9,572' |          |          | Tubing Depth<br>9508' |        |                              |             |              |
| Perforations<br>9572'-76', 79'-81', 86'-99', 9601'-03' (2 JSPF, .41" dia., 50 holes) |  |                           |          |          |                       |        | Depth Casing Shoe<br>13,565' |             |              |
| TUBING, CASING, AND CEMENTING RECORD   |  |                           |          |          |                       |        |                              |             |              |
| HOLE SIZE  | CASING & TUBING SIZE                           | DEPTH SET                 |          |          | SACKS CEMENT          |        |                              |             |              |
| 17-1/2"  | 13-3/8"  | 868'                      |          |          | 800                   |        |                              |             |              |
| 12-1/4"  | 9-5/8"   | 5508'                     |          |          | 2625                  |        |                              |             |              |
| 8-3/4"   | 7"   | 13565'                    |          |          | 1300                  |        |                              |             |              |
|  | 2-7/8"   | 9508'                     |          |          |                       |        |                              |             |              |

#### V. TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of lost 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<br>6-17-87 | Date of Test<br>6-27-87   | Producing Method (Flow, pump, gas lift, etc.)<br>Pumping 1-1/4" Insert |                  |
| Length of Test<br>24 hrs.                  | Tubing Pressure<br>50 psi | Casing Pressure<br>Packer  | Choke Size<br>-  |
| Actual Prod. During Test                   | Oil - Bbls.<br>103        | Water - Bbls.<br>161   | Gas - MCF<br>175 |

#### 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            |

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