

REGISTRATION OFFICE
 OIL AND NATURAL GAS
 REGULATION OFFICE

REQUEST FOR ALLOWABLE
 AND
 AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form O-104
 Superseded O-103
 Effective 1-1-67

Operator: TXO Production Corp.
 Address: 900 Wilco Bldg, Midland, TX. 79701

Reason(s) for filing (Check proper box)
 New Well Change in Transporter of: Oil Dry Gas Condensate
 Recompletion Change in Ownership Other (Please explain) effective May 1, 1988

(Change of ownership give name and address of previous owner)

DESCRIPTION OF WELL AND LEASE
 Lease Name: Osudo State
 Well No.: 1
 Pool Name, including Formation: N. osudo (Morrow)
 Kind of Lease: State, Federal or Fee State
 Location: Unit Letter D, 660 Feet From The North Line and 660 Feet From The West Line of Section 29, Township 20-S, Range 36-E, N.M.P.M., Lea

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS
 Name of Authorized Transporter of Oil or Condensate : Scurlock Oil Company
 Address (Give address to which approved copy of this form is to be sent): 511 W. Ohio Suite 303 Midland, TX. 79701
 Name of Authorized Transporter of Casinghead Gas or Dry Gas : El Paso Natural Gas
 Address (Give address to which approved copy of this form is to be sent): P.O. Box 1134 Jal NM 88252

If Well produces oil or liquids, give location of tanks. Unit: D, Sec: 29, Twp: 20-S, Rge: 36-E
 Is gas actually connected? When:

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

COMPLETION DATA
 Designate Type of Completion - (X) Oil Well Gas Well New Well Workover Deepen Plug Back Squeeze Back Fill
 Date Spudded: Date Compl. Ready to Prod. Total Depth P.D.T.D.
 Deviations (DF, RKB, RT, CR, 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

TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of lead oil and must be equal to or exceed 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

AS WELL,
 Actual Prod. Test - MCF/D Length of Test Bbls. Condensate/MCF Gravity of Condensate
 Casing Pressure (psig, back pr.) Tubing Pressure (4,000-10) Casing Pressure (4,000-10) Choke Size

CERTIFICATE OF COMPLIANCE
 hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.
 Signature: Julia Collier
 Title: Engineer Asst.
 Date: 4-12-88

OIL CONSERVATION COMMISSION
 APPROVED: APR 15 1988
 BY: Paul Kautz
 TITLE: Geologist
 This form is to be filed in compliance with rule 1104. If this is a request for allowable for a newly drilled or reworked well, this form must be accompanied by a tabulation of the test data taken on the well in accordance with rule 110. All portions of this form must be filled out completely and filed on or before the completion of the well. Fill out only Sections I, II, III, and VI for changes of well name or number, or transporter, or other such change of data.