

District I

1625 N. French Dr., Hobbs, NM 88240

District II

811 South First, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural ResourcesOil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505Form C-104 .
Revised July 28, 2000 .Submit to Appropriate District Office .
5 Copies .☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address MCKAY OIL CORPORATION P.O. BOX 2014 ROSWELL, NEW MEXICO 88202-2014		² OGRID Number 014424	
⁴ API Number 30 - 005-63340		³ Reason for Filing Code/ Effective Date PLACE WELL IN PRODUCTIVE STATUS	
⁵ Pool Name WEST PECOS ABO SLOPE	⁶ Pool Code 82730		
⁷ Property Code 27476	⁸ Property Name EPPERS B FEDERAL #1	⁹ Well Number #1	

II. ¹⁰ Surface Location

UL or lot no.	Section 34	Township SS	Range 21E	Lot Idn	Feet from the 640	North/South Line SOUTH	Feet from the 1824	East/West line WEST	County CHAVES
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¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Lse Code	¹³ Producing Method FLOW	¹⁴ Gas Connection Date 12/22/2003	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date
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III. Oil and Gas Transporters

¹⁸ Transporter OGRID 015834	¹⁹ Transporter Name and Address ABO GAS GATHERING P.O. BOX 2014 ROSWELL, N.M. 88201	²⁰ POD 84505	²¹ O/G G	²² POD ULSTR Location and Description
				RECEIVED JAN 22 2004 OCD-ARTESIA

IV. Produced Water

²³ POD	²⁴ POD ULSTR Location and Description
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V. Well Completion Data

²⁵ Spud Date 8/7/03	²⁶ Ready Date 12/27/03	²⁷ TD 5450	²⁸ PBTB 5391	²⁹ Perforations 5365-84, 4698-4704, 4410-30, 4320-50	³⁰ DHC, MC
³¹ Hole Size 12 1/4	³² Casing & Tubing Size 8 5/8"	³³ Depth Set 1086	³⁴ Sacks Cement 375 sks Hal lite Prem +, 4% CaCl		
	5 1/2"	3023	150 sks Hal HLPP, 200 Premium 50/50		
	2 3/8"	2963			

VI. Well Test Data

³⁵ Date New Oil N/A	³⁶ Gas Delivery Date 1/23/2004	³⁷ Test Date 1/22/2004	³⁸ Test Length 4 hours	³⁹ Tbg. Pressure N/A	⁴⁰ Csg. Pressure 600
⁴¹ Choke Size 23/64	⁴² Oil NONE	⁴³ Water NONE	⁴⁴ Gas 1680 MCF	⁴⁵ AOF	⁴⁶ Test Method FLOWING

⁴⁷ I hereby certify that the rules 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: Nanette Whittington
nanette@mckayoil.com

Title: Production Analyst

Date: 1/22/04

Phone: 505-623-4735

OIL CONSERVATION DIVISION

Approved by:

Title:

SUPERVISOR, DISTRICT II

Approval Date:

FEB 03 2004

WELL NAME AND NUMBER Eppers "B" Federal No. 1LOCATION 640' FSL & 1824' FWL, Section 34, T5S, R21E, Chaves Co. NMOPERATOR McKay Oil CorporationDRILLING CONTRACTOR United Drilling, Inc.

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation tests and obtained the following results:

Degrees @ Depth1/2° 516'1/2° 1513'3/4° 3500'Degrees @ DepthDegrees @ DepthDrilling Contractor United Drilling, Inc.By: Doug A. AhTitle: Business Manager

Subscribed and sworn to before me this 12th day of January,
2004.

Carline Martin

Notary Public

My Commission Expires: 10-04-04Chaves New Mexico
County State