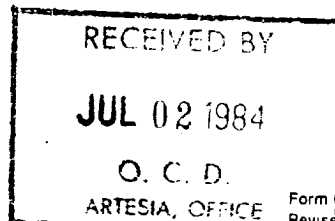


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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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 J.E.M. Resources Inc. ✓

Address P.O. Box 2938 Ruidoso N.M. 88345

Reason(s) for filing (Check proper box)

<input type="checkbox"/> New Well	Change in Transporter of:	<input type="checkbox"/> Dry Gas
<input type="checkbox"/> Recompletion	<input type="checkbox"/> Oil	<input type="checkbox"/> Condensate
<input type="checkbox"/> Change in Ownership	<input type="checkbox"/> Casinghead Gas	

Other (Please explain)
Name change from C.P.U. #65

If change of ownership give name
and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name <u>Red State</u>	Well No. <u>1</u>	Pool Name, including Formation <u>Cave GB/SA</u>	Kind of Lease <u>State, Federal or Fee State</u>	Lease No. <u>B-7596</u>
Location				
Unit Letter <u>B</u>	<u>330</u> Feet From The <u>North</u> Line and <u>2310</u> Feet From The <u>East</u>			
Line of Section <u>4</u>	Township <u>17S</u>	Range <u>29E</u>	, NMPM, <u>Eddy</u> 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"/> <u>Navajo Crude Oil Purchasing Co.</u>	Address (Give address to which approved copy of this form is to be sent) <u>N. Freeman Artesia, N.M. 88210</u>
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> <u>Conoco</u>	Address (Give address to which approved copy of this form is to be sent) <u>P.O. Box 2197, Houston TX. 77001</u>
If well produces oil or liquids, give location of tanks.	Unit <u>B</u> Sec. <u>4</u> Twp. <u>17S</u> Rge. <u>29E</u>
Is gas actually connected?	When <u>6/20/84</u>

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]
Geologist (Signature)
7/2/84
(Date)

OIL CONSERVATION DIVISION
JUL 09 1984

APPROVED _____, 19____
BY Leslie A. Clements
TITLE Supervisor District II

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.