

District I - (505) 393-6161  
P. O. Box 1980  
Hobbs, NM 88241-1980  
District II - (505) 748-1283  
811 S. First  
Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
District IV - (505) 827-7131

New Mexico  
Energy, Minerals and Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

Form C-139  
Originated 11/1/95

Submit Original  
Plus 2 Copies  
to appropriate  
District Office

H-0224

12/20

12/27

APPLICATION FOR  
QUALIFICATION OF PRODUCTION RESTORATION PROJECT  
AND CERTIFICATION OF APPROVAL

THREE COPIES OF THIS APPLICATION MUST BE FILED WITH THE APPROPRIATE DISTRICT OFFICE OF THE OIL CONSERVATION DIVISION.

- I. Operator: PENROC OIL CORPORATION OGRID #: 017213  
Address: P.O. BOX 5970, HOBBS, NM 88241-5970  
Contact Party: M.Y. (MERCH) MERCHANT Phone: (505) 397-3596
- II. Name of Well: STATE AD #11 API #: 30-025-22018  
Location of Well:  
Unit Letter O, 800 Feet from the SOUTH line and 1980 feet from the EAST line, Section 22,  
Township 10S, Range 32E, NMPM, LEA County
- III. Previous Producing Pool Name: MESCALERO PERMO PENT
- IV. Describe the process used to return the Well to production. (Attach additional information if necessary):  
SEE ATTACHED
- V. Date the Production Restoration Project was commenced: NOVEMBER 25, 1996  
Date the Well was returned to production: DECEMBER 14, 1996
- VI. Identify the Oil Conservation Division records which show the Well had thirty (30) days or less production between January 1, 1993 and December 31, 1994:  
[ ] Ongard inactive well list; or [x] OCD Form C-115 (Operator's Monthly Report)

VII. AFFIDAVIT:

State of NEW MEXICO )  
County of LEA ) ss.

M.Y. MERCHANT, being first duly sworn, upon oath states:

1. I am the Operator or authorized representative of the Operator of the above referenced Well.
2. I have personal knowledge of the facts contained in this Application for Qualification of a Production Restoration Project.
3. The data utilized to prepare this application is complete and correct.

[Signature]  
(Name) M. Y. (MERCH) MERCHANT

PRESIDENT  
(Title)

MD

DEC 20 1996

SUBSCRIBED AND SWORN TO before me this 20th day of December, 1996

E. Hail Baracene  
Notary Public

My Commission expires: 09/08/98

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of a Production Restoration Project is hereby approved and the above referenced Well is designated as a Production Restoration Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that production was restored in this Production Restoration Project on:

12-14-96, 1996.

Paul G. Kautz  
District Supervisor, District L  
Oil Conservation Division

Date: 12/27/96

IX. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.  
DATE: \_\_\_\_\_

