



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

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GOVERNOR

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M E M O R A N D U M

TO: WILLIAM J. LEMAY, VIC LYON, PRENTISS CHILDS, MICHAEL STOGNER, DAVID CATANACH, ROY JOHNSON, ROBERT STOVALL, EVELYN DOWNS, JERRY SEXTON, MIKE WILLIAMS, AND FRANK CHAVEZ

FROM: FLORENE DAVIDSON

SUBJECT: PROPOSED RULE AND FORM CHANGES

Attached are copies of proposed rule changes and form revisions which have been tentatively scheduled for a Commission hearing to be held on October 20, 1988. In order to show the rule changes involved, old material is crossed out and new material is underscored.

Please check both the rule and form changes and let me know as soon as possible if you are in agreement with them. Also, please let me know if there are additional changes you feel are necessary. Evelyn Downs worked on all of the form revisions so if you have any questions concerning the new forms, please contact either Evelyn in Hobbs or me in Santa Fe.

The rules and forms affected by the proposed changes are as follows:

<u>Rule</u>	<u>Form</u>
1	C-101
4	C-102
301	C-103
503	C-104
506	C-105
1100	C-115
1102	C-116
1103	C-120-A
1104	C-123
1123	C-133
1128	Southeast Packer
1301	Leakage Form

September 7, 1988
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RULE 1. SCOPE OF RULES AND REGULATIONS

(a) The following General Rules of statewide application have been adopted by the Oil Conservation Division of the New Mexico Energy, ~~and~~ Minerals and Natural Resources Department to conserve the natural resources of the State of New Mexico, to prevent waste, to protect correlative rights of all owners of crude oil and natural gas, and to protect fresh waters. Special rules, regulations and orders have been and will be issued when required and shall prevail as against General Rules, Regulations and Orders if in conflict therewith. However, whenever these General Rules do not conflict with special rules heretofore or hereafter adopted, these General Rules shall apply.

(b) The Division may grant exceptions to these rules after notice and hearing, when the granting of such exceptions will not result in waste but will protect correlative rights or prevent undue hardship.

RULE 4. UNITED STATES GOVERNMENT LEASES

The Division recognizes that all persons drilling on United States Government land shall comply with the United States government regulations. Such persons shall also comply with all applicable State rules and regulations which are not in conflict therewith. Copies of "Application for Permit to Drill, Deepen or Plug Back," ~~(USGS Form No. 9-331e)~~ (BLM Form No. 3160-3), "Sundry Notices and Reports on Wells," ~~(USGS Form No. 9-331)~~ (BLM Form No. 3160-5), and "Well Completion or Recompletion Report and Log," ~~(USGS Form No. 9-330)~~ (BLM Form No. 3160-4), for wells on U.S. Government land shall be furnished ~~by~~ to the Division.

RULE 301. GAS-OIL RATIO AND PRODUCTION TESTS

(a) Each operator shall take a gas-oil ratio test no sooner than 20 days nor later than 30 days following the completion or recompletion of each oil well, if (1) the well is a wildcat, or (2) the well is located in a pool which is not exempt from the requirements of this rule. (Wells completed within one mile of the outer boundary of a defined oil pool producing from the same formation shall be governed by the provisions of this rule which are applicable to the pool.) The results of the test shall be reported to the Division on Form C-116 within 10 days following completion of the test. The gas-oil ratio thus reported shall become effective for proration purposes on the first day of the calendar month following the date they are reported.

Each operator shall also take an annual gas-oil ratio test of each producing oil well, located within a pool not exempted from the requirements of this rule, during a period prescribed by the Division. A gas-oil ratio survey schedule shall be established by the Division setting forth the period in which gas-oil ratio tests are to be taken for each pool wherein a test is required. The gas-oil ratio test shall be such test designated by the Division, made by such method and means, and in such manner as the Division in its discretion may prescribe from time to time.

(b) The results of gas-oil ratio tests taken during survey periods shall be filed with the Division on Form C-116 not later than the 10th of the month following the close of the survey period for the pool in which the well is located. The gas-oil ratios thus reported shall become effective for proration purposes on the first day of the second month following the close of the survey period. Unless Form C-116 is filed within the required time limit, no further allowable will be assigned the affected well until Form C-116 is filed.

(c) In the case of special tests taken between regular gas-oil ratio surveys, the gas-oil ratio shall become effective for proration purposes upon the date Form C-116, reporting the results of such test, is received by the proration department. A special test does not exempt any well from the regular survey.

(d) During gas-oil ratio tests, no well shall be produced at a rate exceeding top unit allowable for the pool in which it is located by more than 25 per cent. ~~No well shall be assigned an allowable greater than the amount of oil produced on official tests during a 24-hour period.~~

(e) The Division Director shall have the authority to exempt such pools as he may deem proper from the gas-oil ratio test requirements of this rule. Such

exemption shall be by executive order directed to all operators in the pool being exempted.

(f) The Division Director shall have the authority to require annual productivity tests of all oil wells in pools exempt from gas-oil ratio tests, during a period prescribed by the Division. An oil well productivity survey schedule shall be established by the Division setting forth the period in which productivity tests are to be taken for each pool wherein such tests are required.

(g) The results of productivity tests taken during survey periods shall be filed with the Division on Form C-116 (with the word "Exempt" inserted in the column normally used for reporting gas production) not later than the 10th of the month following the close of the survey period for the pool in which the well is located. Unless Form C-116 is filed within the required time limit, no further allowable will be assigned the affected well until Form C-116 is filed.

(h) In the case of special productivity tests taken between regular test survey periods, which result in a change of allowable assigned to the well, the allowable change shall become effective upon the date the Form C-116 is received by the proration department. A special test does not exempt any well from the regular survey.

(i) During the productivity test, no well shall be produced at a rate exceeding top unit allowable for the pool in which it is located by more than 25 per cent. ~~No well shall be assigned an allowable greater than the amount of oil produced on tests during a 24-hour period.~~

PROPOSED RULE CHANGES

RULE 503. AUTHORIZATION FOR PRODUCTION OF OIL

(a) Except as provided below, the daily top unit allowable for any oil pool shall be 100 percent of the depth bracket allowable for the pool determined pursuant to the provisions of Rule 505.

(b) ~~Every other month~~ The Division shall have the option, within five days prior to the end of the month, to make a determination as to the likelihood of the total producing capacity of all oil wells in the state being in excess of anticipated reasonable market demand for crude petroleum oil from this state.

If the Division determines that such capacity may be in excess of the anticipated reasonable market demand, and that a market demand factor of less than 100 percent may be necessary to prevent waste, it shall immediately institute proper proceedings for a hearing to be held before the 20th day of the following month to determine actual reasonable market demand ~~for the next two succeeding months~~.

(c) At said hearing the Division shall consider all evidence of market demand for crude petroleum oil from this state, and if it is determined that the market demand percentage factor should be less than 100 percent, an order shall be issued establishing the market demand factor ~~for the ensuing two month period~~ and setting a date for the next market demand hearing.

(d) The market demand factor thus established shall be multiplied by the applicable depth bracket allowable for each well and each pool to determine its unit allowable. Any fraction of a barrel shall be regarded as a full barrel in determining top unit allowable.

Upon initial establishment of a market demand factor, and from time to time thereafter, the Division shall issue a proration schedule authorizing the production of oil from the various proration units in the various pools in the state. Any well completed or recompleted after the issuance of said schedule and for which Form C-104 has been approved, shall, by supplement to the schedule, be authorized a daily allowable equal to ~~the ability of the well to produce up to and including~~ the top unit allowable in effect. The allowable for such well shall become effective at 7:00 a.m. on the date of the completion, provided

Form C-104 is submitted and approved within ten days following date of completion; otherwise the allowable shall be effective on the date the C-104 is approved.

(As provided in Rule 1104, "date of completion" is the date when new oil is delivered into the stock tanks.)

(e) A non-marginal unit is defined as being a proration unit which is capable of producing top unit allowable for the pool in which it is located and to which has been assigned a top unit allowable. Any such non-marginal unit shall be permitted to produce said top unit allowable without waste and subject to the provisions of Rules 301, 502, and 506, and all other applicable units rules. ~~Top unit allowable will be assigned only to those units which by tests have demonstrated their ability to produce top unit allowable.~~

A marginal unit is defined as being a proration unit which is incapable of producing top unit allowable for the pool in which it is located as evidenced by well test, production history, or other report or form filed by the operator with the Division. Any such marginal unit shall be permitted to produce any amount of oil which it is capable of producing without waste up to top unit allowable for the pool, subject to the provisions of Rules 301, 502, and 506, and all other applicable rules, provided that an allowable has been assigned to the unit to authorize such production.

A penalized non-marginal unit is defined as being a proration unit to which, because of an excessive gas-oil ratio, an allowable has been assigned which ~~is less than top unit allowable for the pool and also less than the ability of the well(s) on the unit to produce.~~ Such penalized allowable shall be determined in accordance with the procedure set forth in Rule 506. In calculating a penalized allowable, any fraction of a barrel shall be regarded as a full barrel.

(f) ~~Any change in the allowable assigned to any unit, non-marginal, marginal, or penalized, shall be accomplished through issuance of a new proration schedule or by supplement to a previously issued proration schedule.~~ A periodic tabulation of all supplements to the current proration schedule shall be made and distributed by the Division.

(g) The provisions of Rule 104(h) et seq. shall be adhered to in fixing top unit allowables.

(h) In the event it becomes necessary for any transporter of crude petroleum to resort to pipeline proration in New Mexico, such transporter shall, as soon as possible and not later than 24 hours after the effective date thereof, notify the Division of its decision to so prorate; upon receipt of such notice from such transporter, the Division may take such emergency action, as may be deemed proper, and/or upon its own motion, after notice, hold a hearing for the purpose of considering any action within its authority, to preserve and protect correlative rights.

In case of pipeline proration any operator affected thereby has the right to make application to the Division for authorization to have any shortage or underproduction resulting therefrom included in subsequent proration schedules. Such applications shall be made upon a form hereby authorized to be prescribed by the Division and filed therewith within thirty days after the close of the first proration period in which such pipeline proration shortage occurred, and such authorization shall be limited in any event to wells capable of producing the daily top unit allowable for such period.

In approving any such application the Division shall determine the period of time during which such shortage shall be made up without injury to the well or pool, and shall include the same in the regularly approved proration schedules following the conclusion of pipeline proration.

PROPOSED RULE CHANGES

RULE 506. GAS-OIL RATIO LIMITATION

(a) In allocated pools containing a well or wells producing from a reservoir which contains both oil and gas, each proration unit shall be permitted to produce only that volume of gas equivalent to the applicable limiting gas-oil ratio multiplied by the top unit oil allowable for the pool. In the event the Division has not set a gas-oil ratio limit for a particular oil pool, the limiting gas-oil ratio shall be 2,000 cubic feet of gas for each barrel of oil produced. In allocated oil pools all producing wells, whether oil or casinghead gas, shall be placed on the oil proration schedule.

(b) Unless heretofore or hereafter specifically exempted by order of the Division issued after hearing, a gas-oil ratio limitation shall be placed on all allocated oil pools, and all proration units having a gas-oil ratio exceeding the limit for the pool shall be penalized in accordance with the following procedure:

(1) Any proration unit which, on the basis of the latest official gas-oil ratio test, has a gas-oil ratio in excess of the limiting gas-oil ratio and has the capacity to produce above the top casinghead gas volume calculated by Rule 506 (a) for the pool in which it is located shall be permitted to produce daily that number of barrels of oil which shall be determined by multiplying the current top unit allowable by a fraction, the numerator of which shall be the limiting gas-oil ratio for the pool and the denominator of which shall be the official gas-oil ratio test of the well and will be designated non-marginal.

(2) Any unit containing a well or wells producing from a reservoir which contains both oil and gas shall be permitted to produce only that volume of gas equivalent to the applicable limiting gas-oil ratio multiplied by the top unit allowable currently assigned to the pool.

(3) A marginal unit shall be permitted to produce the same volume of gas which it would be permitted to produce if it were a non-marginal well.

(c) All non-marginal proration units to which gas-oil ratio adjustments are applied shall be so indicated in the proration schedule with adjusted allowables stated.

(d) In cases of new pools, the limit shall be 2,000 cubic feet per barrel until such time as changed by order of the Division issued after a hearing. Upon petition and after notice and hearing according to law, the Division will determine or redetermine the specific gas-oil ratio limit which is applicable to a particular allocated oil pool.

RULE 1100. GENERAL

A. Where to File Reports

Unless otherwise specifically provided for in any rule or order of the Division, all forms and reports required by these rules shall be filed with the appropriate District Office of the Division as provided in Rules 1301 and 1302.

B. Additional Data

These rules shall not be construed to limit or restrict the authority of the Oil Conservation Division to require the furnishing of such additional reports, data, or other information relative to the production, transportation, storing, refining, processing, or handling of crude petroleum oil, natural gas, or products in the State of New Mexico as may appear to it to be necessary or desirable, either generally or specifically, for the prevention of waste and the conservation of natural resources of the State of New Mexico.

C. Books and Records

All producers, injectors, transporters, storers, refiners, gasoline or extraction plant operators, treating plant operators, and initial purchasers of natural gas within the State of New Mexico shall make and keep appropriate books and records for a period of not less than five years, covering their operations in New Mexico, from which they may be able to make and substantiate the reports required by these rules.

D. Written Notices, Requests, Permits, and Reports

The forms listed below shall be used for the purpose shown in accordance with the instructions printed thereon and the rule covering the form, or any special rule or order pertaining to its use.

Form C-101	Application for Permit to Drill, Deepen, or Plug Back
Form C-102	Well Location and Acreage Dedication Plat
Form C-103	Sundry Notices and Reports on Wells
Form C-104	Request for Allowable and Authorization to Transport Oil and Natural Gas
Form C-105	Well Completion or Recompletion Report and Log
Form C-106	Notice of Intention to Utilize Automatic Custody Transfer Equipment

Form C-107	Application for Multiple Completion
Form C-108	Application to Dispose of Salt Water by Injection into a Porous Formation
Form C-109	Application for Discovery Allowable and Creation of a New Pool
Form C-111	Gas Transporter's Monthly Report (Sheet 1 and Sheet 2)
Form C-112	Transporter's and Storer's Monthly Report
Form C-113	Refiner's Monthly Report (Sheet 1 and Sheet 2)
Form C-115	Operator's Monthly Report
Form C-115-EDP	Operator's Monthly Report (electronic data processing)
Form C-116	Gas-Oil Ratio Tests
Form C-117-A	Tank Cleaning, Sediment Oil Removal, Transportation of Miscellaneous Hydrocarbons and Disposal Permit
Form C-117-B	Monthly Sediment Oil Disposal Statement
Form C-118	Treating Plant Operator's Monthly Report (Sheet 1 and Sheet 2)
Form C-119	Carbon Black Plant Monthly Report
Form C-120-A	Monthly Water Disposal Report
Form C-121	Crude Oil Purchaser's Nomination
Form C-121-A	Purchaser's Gas Nomination
Form C-122	Multi-Point and One Point Back Pressure Test for Gas Wells
Form C-122-A	Gas Well Test Data Sheet-San Juan Basin (Initial Deliverability Test, blue paper; Annual Deliverability Test, white)
Form C-122-B	Initial Potential Test Data Sheet
Form C-122-C	Deliverability Test Report
Form C-122-D	Worksheet for Calculation of Static Column Wellhead Pressure (P_w)
Form C-122-E	Worksheet for Stepwise Calculation of (Surface) (Subsurface) Pressure (P_c and P_w)
Form C-122-F	Worksheet for Calculation of Wellhead Pressures (P_c or P_w) from Known Bottomhole Pressure (P_f or P_s)
Form C-122-G	Worksheet for Calculation of Static Column Pressure at Gas Liquid Interface
Form C-123	Request for the Extension of an Existing Pool or the Creation of a New Pool

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Form C-124	Reservoir Pressure Report
Form C-125	Gas Well Shut-in Pressure Report
Form C-126	Permit to Transport Recovered Load Oil
Form C-127	Request for Allowable Change
Form C-129	Application for Exception to No-Flare Rule 306
Form C-130	Notice of Disconnection
Form C-131-A	Monthly Gas Storage Report
Form C-131-B	Annual LPG Storage Report
Form C-133	Authorization to Move Produced Water

RULE 1102. WELL LOCATION AND ACREAGE DEDICATION PLAT (Form C-102)

Form C-102 is a dual purpose form used to show the exact location of the well and the acreage dedicated thereto. The form is also used to show the ownership and status of each lease contained within the dedicated acreage. When there is more than one working interest or royalty owner on a given lease, designation of the majority owner et. al. will be sufficient.

All information required on Form C-102 shall be filled out and certified by the operator of the well except the well location on the plat. This is to be plotted from the outer boundaries of the section and certified by a ~~registered~~ professional ~~engineer and/or land~~ surveyor, registered in the State of New Mexico, or surveyor approved by the Division.

Form C-102 shall be submitted in TRIPLICATE or QUADRUPPLICATE as provided in Rule 1101.

Amended Form C-102 (in TRIPLICATE or QUADRUPPLICATE) shall be filed in the event there is a change in any of the information previously submitted. The well location need not be certified when filing amended Form C-102.

RULE 1103. SUNDRY NOTICES AND REPORTS ON WELLS (Form C-103)

Form C-103 is a dual purpose form to be filed with the appropriate District Office of the Division to obtain Division approval prior to commencing certain operations and also to report various completed operations.

A. Form C-103 as a Notice of Intention

Form C-103 shall be filed in TRIPLICATE by the operator and approval obtained from the Division prior to:

- (1) Effecting a change of plans from those previously approved on Form C-101 or Form C-103.
- (2) Altering a drilling well's casing program or pulling casing or otherwise altering an existing well's casing installation.
- (3) Temporarily abandoning a well.
- (4) Plugging and abandoning a well.
- (5) Performing remedial work on a well which, when completed, will affect the original status of the well. (This shall include making new perforations in existing wells or squeezing oil perforations in existing wells, but is not applicable to new wells in the process of being completed nor to old wells being deepened or plugged back to another zone when such recompletion has been authorized by an approved Form C-101, Application for Permit to Drill, Deepen, or Plug Back, nor to acidizing, fracturing, or cleaning out previously completed wells, nor to installing artificial lift equipment.)

In the case of well plugging operations, the Notice of Intention shall include a detailed statement of the proposed work, including plans for shooting and pulling casing, plans for mudding, including weight of mud, plans for cementing, including number of sacks of cement and depths of plugs, and the time and date of the proposed plugging operations. If not previously filed, a complete log of the well on Form C-105 (See Rule 1105) shall accompany the Notice of Intention to plug the well; the bond will not be released until this is complied with.

B. Form C-103 as a Subsequent Report

Form C-103 as a subsequent report of operations shall be filed in accordance with the section of this rule applicable to the particular operation being reported.

Form C-103 is to be used in reporting such completed operations as:

- (1) Commencement of drilling operations
- (2) Casing and cement test
- (3) Altering a well's casing installation
- (4) Temporary abandonment
- (5) Plug and Abandon
- (6) Plugging back or deepening
- (7) Remedial work
- (8) Installation of artificial lifting equipment
- (9) Change ~~in ownership~~ of operator of a drilling well
- (10) Such other operations which affect the original status of the well but which are not specifically covered herein.

Information to be entered on Form C-103, Subsequent Report, for a particular operation is as follows:

(1) Report of Commencement of Drilling Operations

Within ten days following the commencement of drilling operations, the operator of the well shall file a report thereof on Form C-103 in TRIPLICATE. Such report shall indicate the hour and the date the well was spudded.

(2) Report of Results of Test of Casing and Cement Job; Report of Casing Alteration

A report of casing and cement test shall be filed by the operator of the well within ten days following the setting of each string of casing or liner. Said report shall be filed in TRIPLICATE on Form C-103 and shall present a detailed description of the test method employed and the results obtained by such test, and any other pertinent information required by Rule 107. The report shall also indicate the top of the cement and the means by which such top was determined. It shall also indicate any changes from the casing program previously authorized for the well.

(3) Report of Temporary Abandonment

A report of temporary abandonment of a well shall be filed by the operator of the well within ten days following completion of the work. The report shall be filed in TRIPLICATE and shall present a detailed account of the work done

on the well, including location and type of plugs used, if any, and status of surface and downhole equipment, and any other pertinent information relative to the overall status of the well.

(4) Report on Plugging of Well

A report of plugging operations shall be filed by the operator of the well within 30 days following completion of plugging operations on any well. Said report shall be filed in TRIPLICATE on Form C-103 and shall include the date the plugging operations were begun and the date the work was completed, a detailed account of the manner in which the work was performed including the depths and lengths of the various plugs set, the nature and quantities of materials employed in the plugging operations including the weight of the mud used, the size and depth of all casing left in the hole, and any other pertinent information. (See Rules 201-204 regarding plugging operations.)

No plugging report will be approved by the Division until the pits have been filled and the location levelled and cleared of junk. It shall be the responsibility of the operator to contact the appropriate district office of the Division when the location has been so restored in order to arrange for an inspection of the plugged well and the location by a Division representative.

(5) Report of Remedial Work

A report of remedial work performed on a well shall be filed by the operator of the well within 30 days following completion of such work. Said report shall be filed in QUADRUPPLICATE on Form C-103 and shall present a detailed account of the work done and the manner in which such work was performed; the daily production of oil, gas, and water both prior to and after the remedial operation; the size and depth of shots; the quantity of sand, crude, chemical or other materials employed in the operation; and any other pertinent information. Among the remedial work to be reported on Form C-103 are the following:

- (a) Report on shooting, fluid fracturing or chemical treatment of a previously completed well
- (b) Report of squeeze job
- (c) Report on setting of liner or packer

- (d) Report of installation of pumping equipment or gas lift facilities
- (e) Report of any other remedial operations which are not specifically covered herein.

(6) Report on Deepening or Plugging Back Within the Same Pool

A report of deepening or plugging back shall be filed by the operator of the well within 30 days following completion of such operations on any well. Said report shall be filed in QUADRUPPLICATE on Form C-103 and shall present a detailed account of work done and the manner in which such work was performed. If the well is recompleted in the same pool, it shall also report the daily production of oil, gas, and water both prior to and after recompletion. If the well is recompleted in another pool, Forms C-101, C-102, C-104, and C-105 must ~~also~~ be filed in accordance with Rules 1101, 1102, 1104, and 1105.

(7) Report of Change ~~in Ownership~~ of Operator of a Drilling Well

A report of change of ~~ownership~~ operator shall be filed by the new ~~owner~~ operator of any drilling well within ten days following actual transfer of ownership or responsibility. Said report shall be filed in TRIPLICATE on Form C-103 and shall include the name and address of both the new ~~owner~~ operator and the previous ~~owner~~ operator, the effective date of the change of ownership or responsibility, and any other pertinent information. No change in the ~~ownership~~ operator of a drilling well will be approved by the Division unless the new ~~owner~~ operator has an approved bond in accordance with Rule 101. (Form C-104 shall be used to report ~~transfer~~ change of ~~ownership~~ operator of a completed well; see Rule 1104.)

(8) Other Reports on Wells

Reports on any other operations which affect the original status of the well but which are not specifically covered herein shall be submitted to the Division on Form C-103, in TRIPLICATE, by the operator of the well ten days following the completion of such operation.

RULE 1104. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS (Form C-104)

(1) Form C-104 completely filled out by the operator of the well must be filed in QUINTUPLICATE before an allowable will be assigned to any newly completed or recompleted well. (A recompleted well shall be considered one which has been deepened or plugged back to produce from a different pool than previously.) Form C-104 must be accompanied by a tabulation of all deviation tests taken on the well as provided by Rule 111.

(2) The allowable assigned to an oil well shall be effective at 7:00 o'clock a.m. on the date of completion, provided the Form C-104 is received by the Division during the month of completion. Date of completion shall be that date when new oil is delivered into the stock tanks.

Unless otherwise specified by special pool rules, the allowable assigned to a gas well shall be effective at 7:00 o'clock a.m. on the date of connection to a gas transportation facility, as evidenced by an affidavit of connection from the purchaser to the Division, or the date of receipt of Form C-104 by the Division, whichever date is later.

(3) No allowable will be assigned to any well until a standard unit for the pool in which the well is completed has been dedicated by the owner operator, or a non-standard unit has been approved by the Division, or a standard unit has been communitized or pooled and dedicated to the well.

(4) No allowable will be assigned to any well until all forms and reports due have been received by the Division and the well is otherwise in full compliance with these rules.

(5) Form C-104 with Sections I, II, III, and VI completely filled out shall be filed in QUINTUPLICATE by the operator of the well in the event there is a change of ownership operator of any producing well, injection well, or disposal well, or a change of transporter (oil, condensate, casinghead gas, or dry gas), a change in pool designation, lease name, or well number, or any other pertinent change in condition of any such well. When filing Form C-104 for change of ownership operator, the new operator shall file the form in the above manner, and shall give the name and address of the previous as well as the present operator. The Form C-104 will not be approved by the Division unless the new operator has an

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approved bond in compliance with Rule 101.

(6) Whenever there is a temporary change in transporter and oil is to be moved from the lease by anyone other than the regular transporter authorized by an approved Form C-104, the operator shall notify the appropriate District Office of the Division in writing within three days after the oil is moved, furnishing such information as may be required by the District Office. The operator shall furnish copies of the notification to the regular transporter and to the temporary transporter. This paragraph is intended to deal primarily with authorized batch movements of oil by the operator for use as load oil, frac oil, etc.; eventual sale of this oil is governed by Rules 508 and 1126.

RULE 1123. REQUEST FOR ~~THE EXTENSION OF AN EXISTING POOL OR~~ THE CREATION OF A
NEW POOL (Form C-123)

The operator of a well which requires the creation ~~or extension~~ of a pool shall be given written instructions by the appropriate district office regarding the filing of Form C-123 in DUPLICATE.

RULE 1128. FORMS REQUIRED ON FEDERAL LAND

Federal forms shall be used in lieu of State forms when filing APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK and SUNDRY NOTICES AND REPORTS ON WELLS and WELL COMPLETION OR RECOMPLETION REPORT AND LOG for wells on Federal lands in New Mexico. However, it shall be the duty of the operator to submit two extra copies of each of such forms to the USGS BLM, which, upon approval, will transmit same to the Division. The following USGS BLM forms will be used in lieu of Division forms by operators of wells on Federal land:

<u>USGS BLM Form No.</u>	<u>Title of Form</u> (Same for both agencies)	<u>Form No.</u>
9-331e <u>3160-3</u> (May-1963) <u>(Nov. 1983)</u>	APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK	C-101
9-331 <u>3160-5</u> (May-1963) <u>(Nov. 1983)</u>	SUNDRY NOTICES AND REPORTS ON WELLS	C-103
9-330 <u>3160-4</u> (Rev.-5-63) <u>(Nov. 1983)</u>	WELL COMPLETION OR RECOMPLETION REPORT AND LOG	C-105

The above forms as may be revised are the only forms that may be submitted in place of Division forms.

After a well is completed and ready for pipeline connection, Division Form C-104 shall be filed with the Division on any and all wells drilled in the State, regardless of land status. Further, all reports and forms as required under the preceding rules of this section of the Rules and Regulations that pertain to production must be filed on the proper Oil Conservation Division form as set out in said rule - no other forms will be accepted.

Failure to comply with the provisions of this rule will result in the cancellation of Form C-104 for the affected well or wells.

RULE 1301. DISTRICT OFFICES

To expedite administration of the work of the Oil Conservation Division of the New Mexico Energy, ~~and Minerals~~ and Natural Resources Department and the enforcement of its rules and regulations, the state shall be divided into four districts as follows:

DISTRICT I Lea, Roosevelt, and Curry Counties, and that portion of Chaves County lying east of the North-South line dividing Ranges 29 and 30 East, NMPM.

Office at 1000 West Broadway, Hobbs

Mailing Address:

Oil Conservation Division

P. O. Box 1980

Hobbs, New Mexico 88240

Phone Number: (505) 393-6161

DISTRICT 2 Eddy, Otero, Dona Ana, Luna, Hidalgo, Grant, Sierra, Lincoln, and De Baca Counties, and that portion of Chaves County lying west of the North-South line dividing Ranges 29 and 30 East, NMPM.

Office at ~~324 West Main Street~~ 811 South First Street, Artesia

Mailing Address:

Oil Conservation Division

Drawer DD

Artesia, New Mexico 88210

Phone Number: (505) 748-1283

DISTRICT 3 San Juan, Rio Arriba, McKinley, and Sandoval Counties.

Office at 1000 Rio Brazos Road, Aztec

Mailing Address:

Oil Conservation Division

1000 Rio Brazos Road

Aztec, New Mexico 87410

Phone Number: (505) 334-6178

RULE 1301.

-2-

DISTRICT 4 Remainder of State

Office in State Land Office Building, Santa Fe

Mailing Address:

Oil Conservation Division

~~P.O. Box 2000~~ 310 Old Santa Fe Trail, Room 206

Santa Fe, New Mexico ~~87504-2000~~ 87503

Phone Number: (505) 827-5800

Each district office shall be under the charge of a district supervisor, an oil and gas inspector, or a deputy oil and gas inspector. Unless otherwise specifically required, all matters pertaining to the Division shall be taken care of through the district office of the district in which the affected land is located.

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells)
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK					
1a. Type of Work: DRILL <input type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>	7. Lease Name or Unit Agreement Name				
b. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>	8. Well No.				
2. Name of Operator	9. Pool name or Wildcat				
3. Address of Operator					
4. Well Location Unit Letter _____ : _____ Feet From The _____ Line and _____ Feet From The _____ Line Section _____ Township _____ Range _____ NMPM _____ County _____					
10. Proposed Depth	11. Formation				
12. Rotary or C.T.					
13. Elevations (Show whether DF, RT, GR, etc.)	14. Kind & Status Plug. Bond				
15. Drilling Contractor	16. Approx. Date Work will start				
17. PROPOSED CASING AND CEMENT PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE _____ TITLE _____ DATE _____
TYPE OR PRINT NAME _____ TELEPHONE NO. _____

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

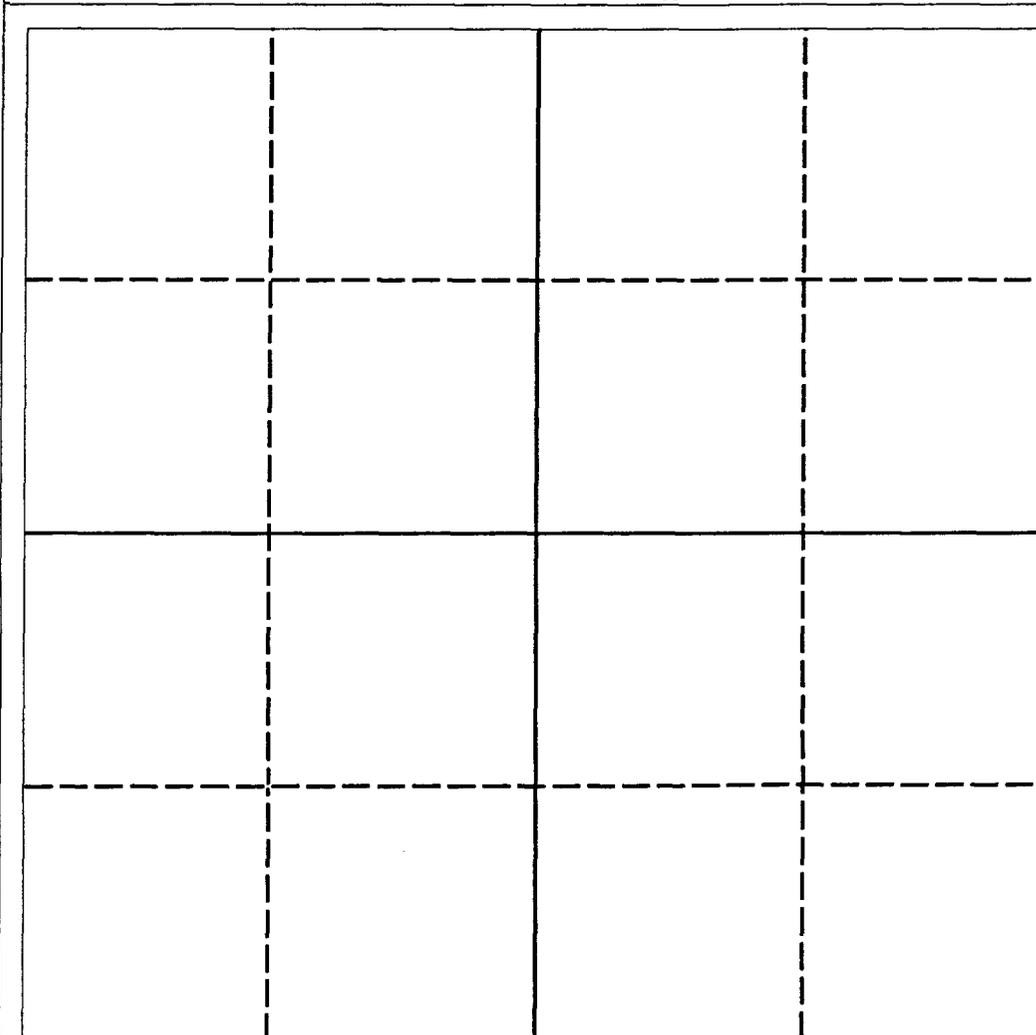
Operator			Lease			Well No.			
Unit Letter		Section		Township		Range		County	
NMPM									
Actual Footage Location of Well:									
feet from the			line and			feet from the			line
Ground level Elev.		Producing Formation			Pool		Dedicated Acreage:		Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

 Yes No If answer is "yes" type of consolidation _____

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary). _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

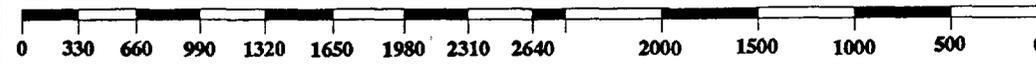
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Printed Name
Position
Company
Date

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
Signature & Seal of Professional Surveyor
Certificate No.



Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

8. Well No.

9. Pool name or Wildcat

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
OIL WELL GAS WELL OTHER

2. Name of Operator

3. Address of Operator

4. Well Location

Unit Letter _____ : _____ Feet From The _____ Line and _____ Feet From The _____ Line

Section _____ Township _____ Range _____ NMPM _____ County _____

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

PERFORM REMEDIAL WORK

PLUG AND ABANDON

REMEDIAL WORK

ALTERING CASING

TEMPORARILY ABANDON

CHANGE PLANS

COMMENCE DRILLING OPNS.

PLUG AND ABANDONMENT

PULL OR ALTER CASING

CASING TEST AND CEMENT JOB

OTHER: _____

OTHER: _____

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE _____ TITLE _____ DATE _____

TYPE OR PRINT NAME _____ TELEPHONE NO. _____

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

310 Old Santa Fe Trail, Room 206
 Santa Fe, New Mexico 87503

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

**REQUEST FOR ALLOWABLE AND AUTHORIZATION
 TO TRANSPORT OIL AND NATURAL GAS**

I.

Operator	Well API No.
Address	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input type="checkbox"/>	Change in Transporter of:
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>
If change of operator give name and address of previous operator _____	

II. DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, Including Formation	Kind of Lease State, Federal or Fee	Lease No.
Location				
Unit Letter _____	:	Feet From The _____	Line and _____	Feet From The _____
Section _____	Township _____	Range _____	, NMPM, _____ County	

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. Is gas actually connected? When ?

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

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.		
Elevations (DF, RKB, RT, GR, 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				

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load 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 Tank	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

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR 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 above is true and complete to the best of my knowledge and belief.

Signature _____

Printed Name _____ Title _____

Date _____ Telephone No. _____

OIL CONSERVATION DIVISION

Date Approved _____

By _____

Title _____

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

Submit to Appropriate District Office
 State Lease -- 6 copies
 Fee Lease -- 5 copies
DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-105
 Revised 1-1-89

OIL CONSERVATION DIVISION
 310 Old Santa Fe Trail, Room 206
 Santa Fe, New Mexico 87503

DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. _____

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No. _____

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
 OIL WELL GAS WELL DRY OTHER _____

b. Type of Completion:
 NEW WELL WORK OVER DEEPEN PLUG BACK DIFF RESVR OTHER _____

2. Name of Operator _____

3. Address of Operator _____

7. Lease Name or Unit Agreement Name _____

8. Well No. _____

9. Pool name or Wildcat _____

4. Well Location
 Unit Letter _____ : _____ Feet From The _____ Line and _____ Feet From The _____ Line

Section _____ Township _____ Range _____ NMPM _____ County _____

10. Date Spudded _____ 11. Date T.D. Reached _____ 12. Date Compl. (Ready to Prod.) _____ 13. Elevations (DF & RKB, RT, GR, etc.) _____ 14. Elev. Casinghead _____

15. Total Depth _____ 16. Plug Back T.D. _____ 17. If Multiple Compl. How Many Zones? _____ 18. Intervals Drilled By _____ Rotary Tools _____ Cable Tools _____

19. Producing Interval(s), of this completion - Top, Bottom, Name _____ 20. Was Directional Survey Made _____

21. Type Electric and Other Logs Run _____ 22. Was Well Cored _____

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED

24. LINER RECORD **25. TUBING RECORD**

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET

26. Perforation record (interval, size, and number) _____

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.
 DEPTH INTERVAL _____ AMOUNT AND KIND MATERIAL USED _____

28. PRODUCTION

Date First Production _____ Production Method (Flowing, gas lift, pumping - Size and type pump) _____ Well Status (Prod. or Shut-in) _____

Date of Test _____ Hours Tested _____ Choke Size _____ Prod'n For Test Period _____ Oil - Bbl. _____ Gas - MCF _____ Water - Bbl. _____ Gas - Oil Ratio _____

Flow Tubing Press. _____ Casing Pressure _____ Calculated 24-Hour Rate _____ Oil - Bbl. _____ Gas - MCF _____ Water - Bbl. _____ Oil Gravity - API - (Corr.) _____

29. Disposition of Gas (Sold, used for fuel, vented, etc.) _____ Test Witnessed By _____

30. List Attachments _____

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature _____ Printed Name _____ Title _____ Date _____

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240
 DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210
 DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
 Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
 310 Old Santa Fe Trail, Room 206
 Santa Fe, New Mexico 87503

OPERATOR'S MONTHLY REPORT
 Form C-115 - Revised 1/1/89
 See Distribution and Code
 Information Bottom of Page

Company or Operator _____ Address _____ Zip _____ For Month, Year _____ Page _____ of _____

POOL NAME (Underline) *Lease Name WELL NO. UNIT SEC. TWP RING	INJECTION		PRODUCTION			DISPOSITION OF GAS			DISPOSITION OF OIL							
	VOLUME	PRESS.	BARRELS OIL/COND. PRODUCED	BARRELS OF WATER PRODUCED	GAS PRODUCED (MCF)	DAYS PROD.	SOLD	TRANS-POR-TER	OTHER	C O D E	OIL ON HAND AT BEG. OF MONTH	BARRELS TO TRANS-PORTER	TRANS-POR-TER	OTHER	C O D E	OIL ON HAND AT END OF MONTH

¹LEASE NAME - Include State Land Lease Number or Federal Lease Number

DISTRIBUTION
 Original OCD Santa Fe
 One Copy OCD Dist. Office
 In which Lease is located
 One Copy to Transporter (s)
DATE DUE
 To be postmarked by 24th day of next succeeding month.

STATUS CODE
 F..... FLOWING
 P..... PUMPING
 G..... GAS LIFT
 S..... SHUT IN
 T..... TEMP ABANDONED
 I..... INJECTION
 D..... DISCONTINUED

OTHER GAS DISPOSITION CODE
 X..... USED OFF LEASE
 D..... USED FOR DRILLING
 G..... GAS LIFT
 L..... LOST (MCF ESTIMATED)
 E..... EXPLANATION ATTACHED
 R..... REPRESSURING OR
 P..... PRESSURE MAINTENANCE
 V..... VENTED
 U..... USED ON LEASE

OTHER OIL DISPOSITION CODE
 C..... CIRCULATING OIL
 L..... LOST
 S..... SEDIMENTATION (B S & W)
 E..... EXPLANATION ATTACHED
 T..... THEFT

I HEREBY CERTIFY THAT THE INFORMATION GIVEN IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE

TYPED NAME _____ POSITION _____ PHONE NUMBER _____

SIGNATURE _____ DATE _____

Submit 2 copies to Appropriate District Office.
 DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240
 DISTRICT II
 P.O. Drawer DD, Artesia, NM 88210
 DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
 Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
 310 Old Santa Fe Trail, Room 206
 Santa Fe, New Mexico 87503

Form C-116
 Revised 1/1/89

GAS - OIL RATIO TEST

Operator		Pool		County								
Address		TYPE OF TEST - (X)		SCHEDULED <input type="checkbox"/> SPECIAL <input type="checkbox"/>								
LEASE NAME	WELL NO.	LOCATION		DATE OF TEST	STATUS	CHOKE SIZE	TBQ. PRESS.	DAILY ALLOWABLE	LENGTH OF TEST HOURS	PRODUCTION DURING TEST		GAS RATIO CU/FT/BBL.
		U	S							T	R	

Instructions:

During gas-oil ratio test, each well shall be produced at a rate not exceeding the top unit allowable for the pool in which well is located by more than 25 percent. Operator is encouraged to take advantage of this 25 percent tolerance in order that well can be assigned increased allowables when authorized by the Division.

Gas volumes must be reported in MCF measured at a pressure base of 15,025 psia and a temperature of 60° F. Specific gravity base will be 0.60.
 Report casing pressure in lieu of tubing pressure for any well producing through casing.

(See Rule 301, Rule 1116 & appropriate pool rules.)

I hereby certify that the above information is true and complete to the best of my knowledge and belief.

Signature _____

Printed name and title _____

Date _____

Telephone No. _____

Submit 1 Copy to Santa Fe
and 1 Copy to Appropriate
District Office by 15th of
Second Succeeding Month.

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-120-A
Revised 1-1-89

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

MONTHLY WATER DISPOSAL REPORT

Disposal System _____
Operator _____ Disposal System _____

Address _____ County _____ Month, _____ 19 _____

LEASE	WELL NO.	LOCATION				PREVIOUS - CUM DISPOSED WATER BARRELS	CURRENT MONTH DISPOSED WATER BARRELS	NEW-CUMULATIVE DISPOSED WATER BARRELS	AVERAGE INJECTION PRESSURES
		UL	S	T	R				

I hereby certify that the above is true and complete to the best of my knowledge and belief.

Signature _____

Remarks: _____ Printed Name _____

_____ Company _____

_____ Title _____ Telephone No. _____

Submit 2 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-123
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

REQUEST FOR THE CREATION OF A NEW POOL

Date _____, 19____

The _____
Name of Operator Name of Lease

Well No. _____ Located _____ feet from the _____ line and _____ feet

from the _____ line of _____
Section Township Range

is outside the boundaries of any pool producing from the same formation. On the basis of the information submitted herewith on form C-105, we hereby request that a new pool be created to include the following described area.

Suggested name: _____

Name of Producing Formation _____

Operator Name and Address _____

Signature _____

Title _____ Date _____

For OCD use only:

Pool Created _____

Placed in _____ Pool.

Order No. _____ Date _____

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

AUTHORIZATION TO MOVE PRODUCED WATER

Transporter Name _____

Address _____ Office Location (If different) _____

Phone Number (s) _____

State Corporation Commission Permit No. _____

NOTE: It is the responsibility of each holder of an approved Form C-133 to familiarize its personnel with the content of Division Rules 709 and 710 and to assure operations in compliance therewith. Failure to move and dispose of produced water in accordance with Division Rules 709 and 710 are cause for cancellation of Form C-133 and the authority to move produced water.

I hereby certify that the information above is true and complete to the best of my knowledge and belief

Signature _____ Date _____

Printed Name _____ Title _____

(This space for State Use)

Approved by _____ Title _____

Date _____

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

INSTRUCTIONS ON REVERSE
SIDE

This form is not to be used for
reporting packer leakage tests in
Northwest New Mexico

SOUTHEAST NEW MEXICO PACKER LEAKAGE TEST

Operator				Lease			Well No.	
Location of Well	Unit	Sec.	Twp	Rge	County			
	Name of Reservoir or Pool		Type of Prod. (Oil or Gas)	Method of Prod. Flow, Art Lift	Prod. Medium (Tbg. or Csg)		Choke Size	
Upper Compl								
Lower Compl								

FLOW TEST NO. 1

Both zones shut-in at (hour, date): _____

Well opened at (hour, date): _____

Indicate by (X) the zone producing..... _____

Pressure at beginning of test..... _____

Stabilized? (Yes or No)..... _____

Maximum pressure during test..... _____

Minimum pressure during test..... _____

Pressure at conclusion of test..... _____

Pressure change during test (Maximum minus Minimum)..... _____

Was pressure change an increase or a decrease?..... _____

Well closed at (hour, date): _____

Oil Production _____ Gas Production _____

During Test: _____ bbls; Grav. _____; _____ MCF; GOR _____

Remarks _____

Upper Completion
Lower Completion

FLOW TEST NO. 2

Well opened at (hour, date): _____

Indicate by (X) the zone producing..... _____

Pressure at beginning of test..... _____

Stabilized? (Yes or No)..... _____

Maximum pressure during test..... _____

Minimum pressure during test..... _____

Pressure at conclusion of test..... _____

Pressure change during test (Maximum minus Minimum)..... _____

Was pressure change an increase or a decrease?..... _____

Well closed at (hour, date): _____

Oil production _____ Gas Production _____

During Test: _____ bbls; Grav. _____; _____ MCF; GOR _____

Remarks _____

Upper Completion
Lower Completion

OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the information contained herein is true
and completed to the best of my knowledge

Operator _____

Signature _____

Printed Name _____ Title _____

Date _____ Telephone No. _____

OIL CONSERVATION DIVISION

Date Approved _____

By _____

Title _____

7/20/88

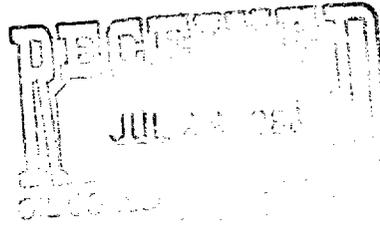
Memo

From

EVELYN DOWNS
*Oil Conservation Staff
Specialist*

To Florene Davidson

If you have any questions after you look this over, please call Jerry. The C-115 is at the printers being revised. The effective date of the revision for the C-115 will be 1/1/89 to coincide with the allowable schedule change. The other forms we are working up revisions on Printice had said use Oct. 1, 1988. Wonder if we need to change that to 1/1/89 and to be consistent. Mention it to him and see what he says.



Oil Conservation Division
PO Box 1980, Hobbs, New Mexico 88240