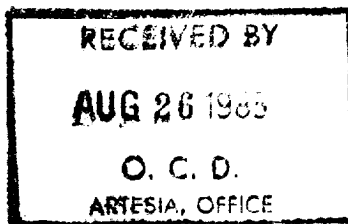


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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PRODUCTION OFFICE	<input type="checkbox"/>



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
Reading & Bates Petroleum Co.

Address
2412 N. Grandview, Suite 201, Odessa, Texas 79761

Reason(s) for filing (Check proper box)

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

Other (Please explain)
Effective July 1, 1985

If change of ownership give name and address of previous owner DeltaUS Corporation, 3100 C. North "A" Street, Midland, Texas 79705

II. DESCRIPTION OF WELL AND LEASE

Lease Name Five-J	Well No. 1	Pool Name, Including Formation Artesia Queen Grayburg SA	Kind of Lease State, Federal or Fee State	Lease No. 647
Location Unit Letter <u>I</u> : <u>1650</u> Feet From The <u>South</u> Line and <u>330</u> Feet From The <u>East</u> Line of Section <u>25</u> Township <u>17S</u> Range <u>28E</u> , NMPM, <u>Eddy</u> 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)
Injection Well	
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

Post FD-3 8-30-85 Chg AP

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)
Area Superintendent
(Title)
August 19, 1985
(Date)

OIL CONSERVATION DIVISION

APPROVED AUG 28 1985, 19
BY Original Signed By
Les 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 deeper 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 all wells on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of ownership, well name or number, or transporter, or other such change of conditions.

Separate Forms C-104 must be filed for each pool in multiple completed wells.