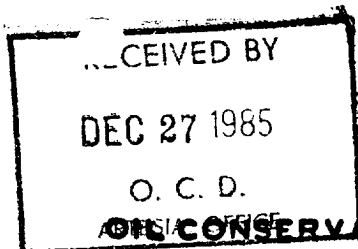


STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

|                       |                                     |
|-----------------------|-------------------------------------|
| NO. OF COPIES DESIRED |                                     |
| DISTRICT OFFICE       |                                     |
| SANTA FE              | <input checked="" type="checkbox"/> |
| FILE                  | <input checked="" type="checkbox"/> |
| U.S.A.                |                                     |
| LAND OFFICE           |                                     |
| TRANSPORTER           | <input checked="" type="checkbox"/> |
| OPERATOR              | <input checked="" type="checkbox"/> |
| PRODUCTION OFFICE     |                                     |



OIL CONSERVATION DIVISION

P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-104  
Revised 10-01-78  
Format 08-01-83  
Page 1

REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator FROSTMAN OIL CORPORATION

Address P. O. DRAWER W, ARTESIA, NEW MEXICO 88210

Reason(s) for filing (Check proper box)

|                                                         |                                                                              |                                                                   |
|---------------------------------------------------------|------------------------------------------------------------------------------|-------------------------------------------------------------------|
| <input type="checkbox"/> New Well                       | Change in Transporter of:                                                    | Other (Please explain)<br><b>CHANGE OF OPERATOR AND OWNERSHIP</b> |
| <input type="checkbox"/> Recombination                  | <input type="checkbox"/> Oil <input type="checkbox"/> Dry Gas                |                                                                   |
| <input checked="" type="checkbox"/> Change in Ownership | <input type="checkbox"/> Coolinghead Gas <input type="checkbox"/> Condensate |                                                                   |

If change of ownership give name and address of previous owner HAPPY OIL COMPANY, INC., P. O. BOX 770, ARTESIA, NM 88210

II. DESCRIPTION OF WELL AND LEASE

|                                                                                                              |                       |                                                                         |                                                     |                            |
|--------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------------------------------------------------------|-----------------------------------------------------|----------------------------|
| Lease Name<br><u>STATE B - 1111 TR. 2</u>                                                                    | Well No.<br><u>14</u> | Pool Name, including Formation<br><u>Empire Yates Seven Rivers East</u> | Kind of Lease<br>State, Federal or Fee <u>State</u> | Lease No.<br><u>B-1111</u> |
| Location                                                                                                     |                       |                                                                         |                                                     |                            |
| Unit Letter <u>G</u> , <u>1650</u> Feet From The <u>North</u> Line and <u>1650</u> Feet From The <u>East</u> |                       |                                                                         |                                                     |                            |
| Line of Section <u>22</u> Township <u>17 S</u> Range <u>28 E</u> , <u>NMPM</u> , <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"/><br><u>NAVAJO REFINING COMPANY</u> | Address (Give address to which approved copy of this form is to be sent)<br><u>P. O. Drawer 159, Artesia, NM 88210</u> |
| Name of Authorized Transporter of Coolinghead 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.<br><u>G</u> , <u>22</u> , <u>17S</u> , <u>28E</u>                                               |
| Is gas actually connected? <input type="checkbox"/> When                                                                                           |                                                                                                                        |

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.

FROSTMAN OIL CORPORATION

By: Clarence Forister (Signature)

Clarence Forister, President (Title)

October 18, 1985 (Date)

OIL CONSERVATION DIVISION

JAN 10 1986

APPROVED \_\_\_\_\_, 19 \_\_\_\_\_

Original Signed By Mike Williams

Oil & Gas Inspector

TITLE \_\_\_\_\_

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.

Posted ID-3  
chg. of Op.  
1-10-86