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NEW MEXICO OIL CONSERVATION COMMISSION  
REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104  
Superseding Old C-104 and C-110  
Effective 1-1-65

RECEIVED

APR 5 - 1974

I.

|  |   |   |  |
|--|---|---|--|
| Operator<br>Armer Oil Company ✓  |   | O. C. C.  |  |
| Address<br>2110 Continental National Bank Bldg., Fort Worth, Texas 76102 |   | ARTESIA, OFFICE   |  |
| Reason(s) for filing (Check proper box)                                  |   | Other (Please explain)  |  |
| New Well <input checked="" type="checkbox"/>                             | Change in Transporter of:   | RECEIVED<br>APR 4 1974<br>U.S. GEOLOGICAL SURVEY<br>ARTESIA, NEW MEXICO |  |
| Recompletion <input type="checkbox"/>                                    | Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>               |   |  |
| Change in Ownership <input type="checkbox"/>                             | Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/> |   |  |

If change of ownership give name  
and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

|   |               |  |  |                           |
|---|---------------|--|--|---------------------------|
| Lease Name<br>Arco Federal  | Well No.<br>2 | Pool Name, Including Formation<br>Square Lake Gbg-SA | Kind of Lease<br>State, Federal or Fee Federal | Lease No.<br>LC-029342(d) |
| Location<br>Unit Letter A ; 660 Feet From The North Line and 660 Feet From The East<br>Line of Section 9 Township 17S Range 30E , NMFM, Eddy 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>Navajo Crude Oil Purchasing     | Address (Give address to which approved copy of this form is to be sent)<br>P.O. Drawer 175, Artesia, New Mexico 88210 |           |             |             |                                   |                             |
| Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/><br>Continental Oil Company | Address (Give address to which approved copy of this form is to be sent)<br>P.O. Box 2197, Houston, Texas 77001        |           |             |             |                                   |                             |
| If well produces oil or liquids,<br>give location of tanks.   | Unit<br>H  | Sec.<br>9 | Twp.<br>17S | Rge.<br>30E | Is gas actually connected?<br>Yes | When<br>First prod. 3/14/74 |

If this production is commingled with that from any other lease or pool, give commingling order number: No

IV. COMPLETION DATA

|  |   |  |                             |                                |                           |        |           |             |              |
|--|---|--|-----------------------------|--------------------------------|---------------------------|--------|-----------|-------------|--------------|
| Designate Type of Completion - (X)   | X                                       | Oil Well                                   | Gas Well                    | New Well                       | Workover                  | Deepen | Plug Back | Same Res'v. | Diff. Res'v. |
| Date Spudded<br>2/7/74   | Date Compl. Ready to Prod.<br>3/8/74    | Total Depth<br>3100' RKB                   |                             | P.B.T.D.<br>2945' RKB          |                           |        |           |             |              |
| Elevations (DF, RKB, RT, GR, etc.)<br>3680' GR 3690' RKB                       | Name of Producing Formation<br>Grayburg |  | Top of the Pay<br>2789' RKB |                                | Tubing Depth<br>2943' RKB |        |           |             |              |
| Perforations 2789-94' w/10 holes and 2807-09' w/4 holes - Upper Premier (Gbg.) |   | 2891-96' w/10 holes - Lower Premier (Gbg.) |                             | Depth Casing Shoe<br>2973' RKB |                           |        |           |             |              |
| TUBING, CASING, AND CEMENTING RECORD   |   |  |                             |                                |                           |        |           |             |              |
| HOLE SIZE  | CASING & TUBING SIZE                    |  | DEPTH SET                   |                                | SACKS CEMENT              |        |           |             |              |
| 11"  | 8-5/8" OD, 23#                          |  | 473' RKB                    |                                | 100 sxs. Class C          |        |           |             |              |
| 7-7/8"   | 4-1/2" OD, 9.5#                         |  | 2973' RKB                   |                                | 500 sxs. Class H          |        |           |             |              |
|  | 2-3/8" OD                               |  | 2943' RKB                   |                                |                           |        |           |             |              |

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)

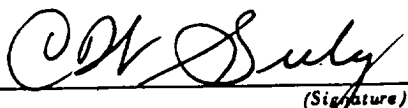
|   |                         |  |                  |
|---|-------------------------|--|------------------|
| Date First New Oil Run To Tanks<br>3/14/74  | Date of Test<br>3/17/74 | Producing Method (Flow, pump, gas lift, etc.)<br>Pump w/2" x 1-1/2" x 12' rod pump |                  |
| Length of Test<br>24 hrs.                   | Tubing Pressure<br>NA   | Casing Pressure<br>NA  | Choke Size<br>NA |
| Actual Prod. During Test<br>160 bbls. fluid | Oil - Bbls.<br>30       | Water - Bbls.<br>130 (frac. wtr.)  | Gas - MCF<br>85  |

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. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

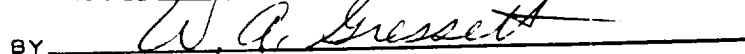
  
(Signature)

Production Manager  
(Title)

April 1, 1974  
(Date)

OIL CONSERVATION COMMISSION

APPROVED APR 10 1974

BY 

TITLE OIL AND GAS INSPECTOR

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.