STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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Form C-104
Revised 10-01-78
Format 06-01-83
Page 1

OIL CONSERVATION DIVISION

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

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I.

Operator: J.E.M. RESOURCES INC.

Address: P.O. Box 2938 Ruidoso, NM 88345

Reason(s) for filing (Check proper box)

- [X] New Well
- [ ] Recompletion
- [ ] Change in Ownership

Change in Transporter of:

- [ ] Oil
- [ ] Dry Gas
- [ ] Casinghead Gas
- [ ] Condensate

Other (Please explain)

If change of ownership give name and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, Including Formation	Kind of Lease	Lease No.
RED STATE	2	CAVE GB/SA	State, Federal or Fee STATE	B-7596

Location

Unit Letter G : 1650 Feet From The NORTH Line and 2310 Feet From The EAST

Line of Section 4 Township 17 S Range 29 E , NMPM, Eddy County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil [X] or Condensate [ ]	Address (Give address to which approved copy of this form is to be sent)
NAVAJO ~~CRUDE OIL PURCHASING~~ Co.	N. FREEMAN, ARTESIA NM 88210
Name of Authorized Transporter of Casinghead Gas [X] or Dry Gas [ ]	Address (Give address to which approved copy of this form is to be sent)
CONOCO	P.O. Box 2197, HOUSTON TX 77001

If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected?	When
	G	4	17 S	29 E	YES	7/16/84

If this production is commingled with that from any other lease or pool, give commingling order number: _____ Pool ID-2 8-10-84 temp + PK

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)

CONSULTING GEOLOGIST
(Title)

8/6/84
(Date)

OIL CONSERVATION DIVISION

APPROVED AUG 0 6 1984, 19 _____

BY ORIGINAL SIGNED BY LARRY ERICKSON GEOLOGIST - N.M.O.C.D.

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.

V. TEST DATA AND REQUEST FOR ALLOWABLE *(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)*

OIL WELL

Date First New Oil Run To Tanks	Date of Test	Producing Method *(Flow, pump, gas lift, etc.)*	
7/14/84	7/16/84	Pump	
Length of Test	**Tubing Pressure**	**Casing Pressure**	**Choke Size**
24 hr	35 #	90 #	7/8
Actual Prod. During Test	**Oil - Bbls.**	**Water - Bbls.**	**Gas - MCF**
300	100	200	300

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**