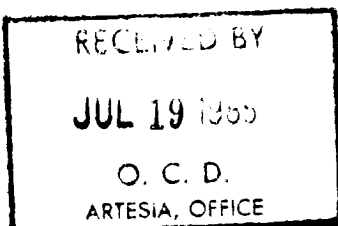


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE		✓
FILE		✓
U.S.G.S.		✓
LAND OFFICE		
TRANSPORTER	OIL	✓
	GAS	✓
OPERATOR		✓
PRODUCTION OFFICE		



OIL CONSERVATION DIVISION

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

Form C-104
Revised 10-01-73
Format 06-01-83
Page 1

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator
Haile Petroleum, Ltd. ✓

Address
P.O. Box 481, Artesia, NM 88210

Reason(s) for filing (Check proper box)

<input checked="" type="checkbox"/> New Well	Change in Transporter of:	Other (Please explain)
<input type="checkbox"/> Recompletion	<input type="checkbox"/> Oil	HEAD GAS MUST NOT BE
<input type="checkbox"/> Change in Ownership	<input type="checkbox"/> Casinghead Gas	FILED AFTER 9-23-85
	<input type="checkbox"/> Dry Gas	UNLESS AN EXCEPTION TO:
	<input type="checkbox"/> Condensate	RULE 306 IS OBTAINED ✓

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

EX # 2-725 until 1/8/86

II. DESCRIPTION OF WELL AND LEASE

Lease Name Welch State	Well No. #1	Pool Name, including Formation Artesia Queen Gr. - San Andres	Kind of Lease State, Federal or Fee	State State	Lease No. OG-647
Location					
Unit Letter I : 330 Feet From The East Line and 1650 Feet From The South					
Line of Section 30 Township 18S Range 28E, NMPM, Eddy County					

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

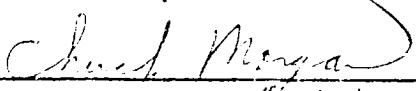
Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Navajo Refining Co.	Address (Give address to which approved copy of this form is to be sent) P.O. Dr. 175, Artesia, NM 88210				
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Phillips Petroleum Company	Address (Give address to which approved copy of this form is to be sent) Bartlesville, OK 74004				
If well produces oil or liquids, give location of tanks.	Unit I	Sec. 30	Twp. 18	Rge. 28	Is gas actually connected? When No.

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)
Agent
(Title)
July 19, 1985
(Date)

OIL CONSERVATION DIVISION

APPROVED JUL 23 1985
BY Original Signed By
Mike Williams
TITLE Oil & 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.

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

IV. COMPLETION DATA

Designate Type of Completion - (X)		Oil Well X	Gas Well	New Well X	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
Date Spudded 6-18-85	Date Compl. Ready to Prod. 7-12-85		Total Depth 2348'		P.B.T.D. 2308'				
Elevations (DF, RKB, RT, GR, etc.) 3651' GR	Name of Producing Formation Grayburg		Top Oil/Gas Pay 1913'		Tubing Depth 2240'				
Perforations 1936, 35, 34, 33, 1915, 14, 13 and 2218, 17, 10, 09, 2197, 96, 95, 94, 63, 43, 42, 11, 10, 09, 2062, 61, 46, 45, 44, 43, 39						Depth Casing Shoe 2347'			
TUBING, CASING, AND CEMENTING RECORD									
HOLE SIZE		CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
12 1/4"		8 5/8"		360'		325 Sxs.			
7 7/8"		5 1/2"		2347'		475 Sxs.			
		2 3/8"		2240'					

V. TEST DATA AND REQUEST FOR ALLOWABLE (Test must be after recovery of total volume of lead 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 7-17-85	Date of Test 7-19-85	Producing Method (Flow, pump, gas lift, etc.) Pumping	
Length of Test 24 hours	Tubing Pressure	Casing Pressure	Choke Size No choke
Actual Prod. During Test 63	Oil - Bbls. 40	Water - Bbls. 23	Gas - MCF NA

GAS WELL

Actual Prod. Test - MCF/D Not available	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (shut-in)	Casing Pressure (shut-in)	Choke Size