

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	<input checked="" type="checkbox"/>
FILE	<input checked="" type="checkbox"/>
U.S.G.S.	<input type="checkbox"/>
LAND OFFICE	<input type="checkbox"/>
TRANSPORTER	<input checked="" type="checkbox"/>
OIL	<input checked="" type="checkbox"/>
GAS	<input checked="" type="checkbox"/>
OPERATOR	<input checked="" type="checkbox"/>
PRODUCTION OFFICE	<input type="checkbox"/>

RECEIVED BY

AUG 22 1986

O. C. D.  
ARTESIA, OFFICE

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  
Hondo Oil and Gas Company ✓

Address  
P. O. Box 1610 Midland, Texas 79702

Reason(s) for filing (Check proper box)

<input checked="" type="checkbox"/> New Well	Change in Transporter of:	
<input type="checkbox"/> 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

Other (Please explain)

If change of ownership give name  
and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

Lease Name Wilmar Federal	Well No. 3	Pool Name, Including Formation <del>Lamar</del> (Bone Springs)	Kind of Lease Federal	Lease No. LC - 029389 B
Location				
Unit Letter <u>0</u> : <u>810</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>East</u>				
Line of Section <u>4</u> Township <u>18S</u> Range <u>31E</u> NMPM, <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"/> Navajo Crude Oil Purchasing	Address (Give address to which approved copy of this form is to be sent) Box 159, Artesia, NM 88210
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> CONOCO, Inc.	Address (Give address to which approved copy of this form is to be sent) Box 460, Hobbs, NM 88240
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. K 4 18S 31E
Is gas actually connected?	When yes 8-29-86 Camp + BIK

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.

Ken W. Gosnell  
(Signature)  
Engr. Tech. Spec. 915-688-5672  
(Title)  
8-21-86  
(Date)

OIL CONSERVATION DIVISION

APPROVED AUG 25 1986, 19  
BY Original Signed by  
Lee A. [unclear]  
TITLE State Oil Engineer

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	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
		X		X					
Date Spudded	Date Compl. Ready to Prod.		Total Depth			P.B.T.D.			
7-8-86	8-8-86		8540			8504			
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay			Tubing Depth			
3735.5 RKB	Bone Springs		8205			8433			
Perforations						Depth Casing Shoe			
8205-8452						8540			
<b>TUBING, CASING, AND CEMENTING RECORD</b>									
HOLE SIZE		CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
17-1/2		13-3/8		685		750sx. TOC Surface			
11		8-5/8		2180		1050sx. TOC Surface			
7-7/8		5-1/2		8540		2000sx. TOC Surface			
		2-7/8		8433					

#### 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)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
8-8-86	8-19-86	Pumping	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
24 hours	50	50	---
Actual Prod. During Test	Oil-Bbls.	Water-Bbls.	Gas-MCF
	221	33	170

#### GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (shut-in)	Casing Pressure (shut-in)	Choke Size