

|                            |                                                |                                                                     |
|----------------------------|------------------------------------------------|---------------------------------------------------------------------|
| DEPARTMENT OF THE INTERIOR | NEW MEXICO OIL CONSERVATION COMMISSION         | Form C-104<br>Superceded by OIL C-104 and C-105<br>Effective 1-1-80 |
| AREA OFFICE                | REQUEST FOR ALLOWABLE                          | RECEIVED                                                            |
| U.S.G.S.                   | AND                                            |                                                                     |
| LAND OFFICE                | AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS |                                                                     |
| TRANSPORTER                |                                                |                                                                     |
| OPERATOR                   |                                                |                                                                     |
| PRODUCTION OFFICE          |                                                |                                                                     |

JUL 2 1980

O. C. D.  
ARTESIA, OFFICE

Yates Petroleum Corporation

Address

207 South 4th Street - Artesia, NM 88210

|                                                              |                        |
|--------------------------------------------------------------|------------------------|
| Person(s) for filing (Check proper box)                      | Other (Please explain) |
| New Well <input checked="" type="checkbox"/>                 |                        |
| Recompletion <input type="checkbox"/>                        |                        |
| Change in Ownership <input type="checkbox"/>                 |                        |
| Change in Transporter of Oil <input type="checkbox"/>        |                        |
| Change in Transporter of Gas <input type="checkbox"/>        |                        |
| Change in Transporter of Condensate <input type="checkbox"/> |                        |

(Change of ownership give name and address of previous owner)

|                               |            |                                                             |                               |           |
|-------------------------------|------------|-------------------------------------------------------------|-------------------------------|-----------|
| DESCRIPTION OF WELL AND LEASE |            |                                                             |                               |           |
| Lease Name Irish Hills--      | Well No. 3 | Pool Name, including Formation Penasco Draw SA Yeso (Assoc) | Kind of Lease NM-0554472      | Lease No. |
| Yeso NM Federal               |            |                                                             | State, Federal or Fee Federal |           |
| Location                      |            |                                                             |                               |           |

Unit Letter: 6 : 990 Feet From The North Line and 400 Feet From The East

Line of Section: 12 Township 19S Range 24E, N.M.P.M., Eddy County

|                                                                                                                          |                                                                          |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|
| DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS                                                                        |                                                                          |
| Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>         | Address (Give address to which approved copy of this form is to be sent) |
| Navajo Crude Oil Purchasing Company                                                                                      | No. Freeman Ave, Artesia, NM 88210                                       |
| Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |
| Yates Petroleum Corporation                                                                                              | 207 South 4th Street - Artesia, NM 88210                                 |
| If well produces oil or liquids, give location of tanks.                                                                 | Is gas actually connected? When                                          |
|                                                                                                                          | Yes 7-17-80                                                              |

(If this production is commingled with that from any other lease or pool, give commingling order number)

|                                             |                                                                                                                                                                                                                                                                                                                   |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| COMPLETION DATA                             |                                                                                                                                                                                                                                                                                                                   |
| Designate Type of Completion - (X)          | Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> New Well <input checked="" type="checkbox"/> Workover <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Same Reservoir <input type="checkbox"/> Drill Reservoir <input type="checkbox"/> |
| Date Spudded 6-15-80                        | Date Compl. Ready to Prod. 7-17-80                                                                                                                                                                                                                                                                                |
| Total Depth 2800'                           | P.B.T.D. 2791'                                                                                                                                                                                                                                                                                                    |
| Elevations (DS, RKB, RT, GR, etc.) 3617' GR | Name of Producing Formation Yeso                                                                                                                                                                                                                                                                                  |
| Top Oil/Gas Pay 2452'                       | Tubing Depth 2599'                                                                                                                                                                                                                                                                                                |
| Perforations 2452-2578'                     | Depth Casing Shoes 2791'                                                                                                                                                                                                                                                                                          |

|                                      |                      |           |              |
|--------------------------------------|----------------------|-----------|--------------|
| TUBING, CASING, AND CEMENTING RECORD |                      |           |              |
| HOLE SIZE                            | CASING & TUBING SIZE | DEPTH SET | SACKS CEMENT |
| 15"                                  | 10-3/4"              | 412'      | 350          |
| 9 1/2"                               | 7"                   | 923'      | 850          |
| 6 1/2"                               | 4 1/2"               | 2791'     | 350          |
|                                      | 2-3/8"               | 2599'     |              |

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 of oil field for this depth or be for full 24 hours)

|                                         |                      |                                                       |
|-----------------------------------------|----------------------|-------------------------------------------------------|
| Date First New Oil Run To Tanks 7-17-80 | Date of Test 7-19-80 | Producing Method (Flow, pump, gas lift, etc.) Pumping |
| Length of Test 24                       | Tubing Pressure 20#  | Casing Pressure 20#                                   |
| Actual Prod. During Test 51             | Oil-Bbls. 45         | Water-Bbls. 6                                         |
|                                         |                      | Choke Size 2"                                         |
|                                         |                      | Gas-MCF 67                                            |

|                                  |                           |                           |                       |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| GAS WELL                         |                           |                           |                       |
| Actual Prod. Test-MCF/D          | Length of Test            | Pbld. Condensate/MCF      | Gravity of Condensate |
|                                  |                           |                           |                       |
| Testing Method (pilot, back pr.) | Tubing Pressure (Shut-in) | Casing Pressure (Shut-in) | Choke Size            |
|                                  |                           |                           |                       |

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.

|                                  |                                                                                                                                                                                             |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Christine Tomlinson-Geol. Secty. | OIL CONSERVATION COMMISSION                                                                                                                                                                 |
| (Signature)                      | APPROVED JUL 31 1980                                                                                                                                                                        |
| (Title)                          | BY Mike William                                                                                                                                                                             |
| 7-29-80                          | TITLE OIL AND GAS INSPECTOR                                                                                                                                                                 |
| (Date)                           | 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 deviator tests taken on the well in accordance with RULE 111. |
|                                  | All sections of this form must be filled out completely for all wells on new and recompleted wells.                                                                                         |
|                                  | Fill out only Sections I, II, III, and VI for changes of well name or number, or transporter or other such change of condition.                                                             |