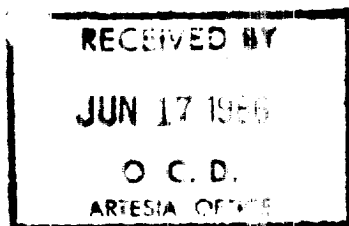


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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"/>
OPERATOR	<input checked="" type="checkbox"/>
PRODUCTION OFFICE	<input type="checkbox"/>



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
M. K. & W. Inc.

Address
P. O. Box 184, Artesia, NM 88210

Reason(s) for filing (Check proper box)

<input type="checkbox"/> New Well	Change in Transporter of:	<input type="checkbox"/> Dry Gas
<input type="checkbox"/> Recompletion	<input type="checkbox"/> Oil	<input type="checkbox"/> Condensate
<input checked="" type="checkbox"/> Change in Ownership	<input type="checkbox"/> Casinghead Gas	

Other (Please explain)

If change of ownership give name and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

Lease Name El Cheapo	Well No. 3	Pool Name, including Formation Artesia Queen Grayberg San Andres	Kind of Lease State, Federal or Fee State	Lease No. LG 2719
Location Unit Letter <u>I</u> : <u>2310</u> Feet From The <u>South</u> Line and <u>990</u> Feet From The <u>East</u> Line of Section <u>1</u> Township <u>19 South</u> Range <u>27 East</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 Refining & Crude Oil Company	Address (Give address to which approved copy of this form is to be sent) P.O. Drawer 175, Artesia, New Mexico 88210	
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)	
If well produces oil or liquids, give location of tanks.	Unit	Sec.
	Twp.	Rge.
Is gas actually connected?	When	

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.

Bill J. Milstead
(Signature)
Land Manager
(Title)
June 13, 1986
(Date)

OIL CONSERVATION DIVISION

APPROVED OCT 30 1986, 19
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 multiple completed wells.