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NEW MEXICO OIL CONSERVATION COMMISSION  
REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104  
Supersedes Old C-104 and C-110  
Effective 1-1-65

(Deviation Surveys on Back Side)  
Marathon is operator of the Indian Basin Gas Plant and Gathering System. Natural Gas Pipeline Company of America is purchaser of the Gas under contracts providing for delivery of residue gas at the Plant

|                                                |                                                                             |
|------------------------------------------------|-----------------------------------------------------------------------------|
| Operator<br><i>Pan American Petroleum Corp</i> |                                                                             |
| Address<br><i>Box 68 Hobbs, N.M. 88240</i>     |                                                                             |
| Reason(s) for filing (check proper box)        | Other (Please explain)                                                      |
| New Well <input checked="" type="checkbox"/>   | Change in Transporter of:                                                   |
| 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 <input type="checkbox"/> |

DEC 6 1965

If change of ownership give name and address of previous owner

C. D. C.  
ARTEZIA, OFFICE

II. DESCRIPTION OF WELL AND LEASE

|                                                                                                                                                                                                                       |                      |                                                                    |                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------------------------------------------------------------|---------------------------------|
| Lease Name<br><i>Smith Federal Gas Com</i>                                                                                                                                                                            | Well No.<br><i>1</i> | Pool Name, including Formation<br><i>INDIAN BASIN - UPPER PENN</i> | Kind of Lease<br><i>FEDERAL</i> |
| Location<br>Unit Letter <i>F</i> ; <i>1650</i> Feet From The <i>NORTH</i> Line and <i>2310</i> Feet From The <i>WEST</i><br>Line of Section <i>12</i> , Township <i>22</i> Range <i>23</i> , NMPM, <i>EDDY</i> County |                      |                                                                    |                                 |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

(SPLIT CONNECTION)

|                                                                                                                           |                                                                                                           |                   |                   |                                          |                         |
|---------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-------------------|-------------------|------------------------------------------|-------------------------|
| Name of Authorized Transporter of Oil<br><i>Pan American Petro Corp (Trucks)</i>                                          | Address (Give address to which approved copy of this form is to be sent)<br><i>Box 1725 Midland Texas</i> |                   |                   |                                          |                         |
| Name of Authorized Transporter of Casinghead Gas<br><i>Marathon Oil Co. Indian Basin Gas Plant &amp; Gathering System</i> | Address (Give address to which approved copy of this form is to be sent)<br><i>Box 1324 ARTEZIA, N.M.</i> |                   |                   |                                          |                         |
| Unit<br><i>F</i>                                                                                                          | Sec.<br><i>12</i>                                                                                         | Twp.<br><i>22</i> | Rge.<br><i>23</i> | Is gas actually connected?<br><i>Yes</i> | When<br><i>11-30-65</i> |

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

IV. COMPLETION DATA

|                                                            |                                                                                           |                                                                          |                                                        |          |         |           |              |               |
|------------------------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------------------------------|----------|---------|-----------|--------------|---------------|
| Designate Type of Completion - (X)                         | Oil Well                                                                                  | Gas Well                                                                 | New Well                                               | Workover | Deepen. | Plug back | Same Res'tv. | Diff. Res'tv. |
|                                                            |                                                                                           | <input checked="" type="checkbox"/>                                      | <input checked="" type="checkbox"/>                    |          |         |           |              |               |
| Date Spudded<br><i>7-16-65</i>                             | Date Compl. Ready to Prod.<br><i>8-18-65</i>                                              | Total Depth<br><i>8246'</i>                                              | P.B.T.D.<br><i>8183'</i>                               |          |         |           |              |               |
| Pool<br><i>CISCO CANYON REEF</i>                           | Name of Producing Formation<br><i>CISCO CANYON REEF</i>                                   | Top Oil/Gas Pay<br><i>7438'</i>                                          | Tubing Depth<br><i>7477'</i>                           |          |         |           |              |               |
| Perforations<br><i>7438-7464</i>                           |                                                                                           |                                                                          | Depth Casing Shoe<br><i>8246'</i>                      |          |         |           |              |               |
| TUBING, CASING, AND CEMENTING RECORD                       |                                                                                           |                                                                          |                                                        |          |         |           |              |               |
| HOLE SIZE<br><i>17 1/2"</i><br><i>11"</i><br><i>7 7/8"</i> | CASING & TUBING SIZE<br><i>13 3/8"</i><br><i>8 1/8"</i><br><i>5 1/2"</i><br><i>2 3/8"</i> | DEPTH SET<br><i>160'</i><br><i>2300'</i><br><i>8246'</i><br><i>7477'</i> | SACKS CEMENT<br><i>200</i><br><i>740</i><br><i>475</i> |          |         |           |              |               |

V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL (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 Ran To Tanks | Date of Test    | Producing Method (Flow, pump, gas lift, etc.) |            |
| Length of Test                  | Tubing Pressure | Casing Pressure                               | Choke Size |
| Actual Prod. During Test        | Oil - Bbls.     | Water - Bbls.                                 | Gas - MCF  |

GAS WELL

|                                           |                                |                                   |                                   |
|-------------------------------------------|--------------------------------|-----------------------------------|-----------------------------------|
| Actual Prod. Test-MCF<br><i>5.58 MMCF</i> | Length of Test<br><i>1 Hr.</i> | Bbls. Condensate/MMCF<br><i>—</i> | Gravity of Condensate<br><i>—</i> |
| Testing Method (pitot, back pr.)          | Tubing Pressure<br><i>1650</i> | Casing Pressure<br><i>PKE</i>     | Choke Size<br><i>24/64</i>        |

VI. 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.

*Area Sup't*  
(Signature)  
*11-30-65*  
(Date)

*045-NMOCC*  
*1-JWB*  
*1-JMB*  
*1-SUG*  
*1-DAI*  
*1-LORE*  
*1-HORSO*  
*1-GURF*  
*1-Superior-Midland*  
*1-Superior-Midland*

OIL CONSERVATION COMMISSION

APPROVED *DEC 13 1965*, 19  
BY *ML Armstrong*  
TITLE *OIL AND GAS INSPECTION*

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 Sections I, II, III, and VI only for changes of owner, well name or completion status.  
Completed wells.

# DEVIATION SURVEYS

| DEPTH | DEGREES<br>OFF | DEPTH | DEGREES<br>OFF |
|-------|----------------|-------|----------------|
| 125   | 1 -            | 5395  | 2 1/4          |
| 465   | 3/4            | 5475  | 1 1/4          |
| 751   | 1 -            | 5960  | 1 1/2          |
| 1156  | 1 1/2          | 6440  | 1/2            |
| 1455  | 3 -            | 6648  | 1 1/4          |
| 1556  | 2 1/2          | 6888  | 3/4            |
| 1646  | 2 1/4          | 7141  | 1/4            |
| 1873  | 1 3/4          | 7327  | 1 -            |
| 2300  | 1 1/4          | 7468  | 3/4            |
| 2610  | 2 -            | 7918  | 1 -            |
| 3193  | 1 -            | 8089  | 3/4            |
| 3490  | 2 -            |       |                |
| 3699  | 1 1/2          |       |                |
| 4460  | 1              |       |                |
| 4783  | 1 1/2          |       |                |
| 5010  | 2              |       |                |
| 5181  | 2 1/2          |       |                |

These above are true to the best of my knowledge.

Area Superintendent

Subscribed to this date the 30<sup>th</sup> day of November, 1965.

DR Moorhead  
Notary Public In & For LeuCo. n.m.

My Commission Expires 6-18-68.