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NEW MEXICO OIL CONSERVATION COMMISSION

REQUEST FOR ALLOWABLE

Form C-104
Supersedes Old C-104 and C-11
Effective 1-1-65

| | |
|----------------------------------------------------------|-------------------------------------------------------|
| RECEIVED BY OCT 28 1985 O. C. D. ARTESIA OFFICE | AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS |
|----------------------------------------------------------|-------------------------------------------------------|

I.

| | |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| Operator Kaneb ^{Energy} Production Company | |
| Address 400 Wilco Building Midland, Texas 79701-4466 | |
| Reason(s) for filing (Check proper box) | |
| New Well <input 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"/> |
| Other (Please explain) Change in Operator name from Kaneb Production Company to Kaneb Energy Company, effective November 1, 1985. | |

If change of ownership give name
and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

| | | | | |
|------------------------------------------------------------------------------------------------------------|---------------|-------------------------------------------------------------|------------------------------------------------|----------------------|
| Lease Name Mershon Gas Comm. | Well No. 1 | Pool Name, Including Formation Indian Basin (Upper Penn) | Kind of Lease State, Federal or Fee Federal | Lease No. NM 3802 |
| Location | | | | |
| Unit Letter <u>A</u> ; <u>990</u> Feet From The <u>North</u> Line and <u>990</u> Feet From The <u>East</u> | | | | |
| Line of Section <u>21</u> Township <u>22-S</u> Range <u>23-E</u> , NMPM, <u>Eddy</u> County | | | | |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

| | | | | | | |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|-------------------|--------------------|--------------------|-----------------------------------|--------------------|
| Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input checked="" type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) | | | | | |
| Marathon Oil Company | P. O. Box 552 Midland, Texas 79702 | | | | | |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) | | | | | |
| Marathon Oil Company | P. O. Box 552 Midland, Texas 79702 | | | | | |
| If well produces oil or liquids, give location of tanks. | Unit <u>A</u> | Sec. <u>21</u> | Twp. <u>22S</u> | Rge. <u>23E</u> | Is gas actually connected? Yes | When June, 1970 |

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'v. | Diff. Res'v. |
| Date Spudded | Date Compl. Ready to Prod. | Total Depth | | | P.B.T.D. | | | | |
| Elevations (DF, RKB, RT, GR, etc.) | Name of Producing Formation | Top Oil/Gas Pay | | | Tubing Depth | | | | |
| Perforations | | | Depth Casing Shoe | | | | | | |
| TUBING, CASING, AND CEMENTING RECORD | | | | | | | | | |
| HOLE SIZE | CASING & TUBING SIZE | | DEPTH SET | | | SACKS CEMENT | | | |
| | | | | | | Post TD-3 | | | |
| | | | | | | 11-1-85 | | | |
| | | | | | | Chg Op Name | | | |

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 Run 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/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 |

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.

Lodie D. Jordan
(Signature)
Division Production Manager
(Title)
October 23, 1985
(Date)

OIL CONSERVATION COMMISSION

OCT 29 1985

APPROVED _____, 19____

BY _____
Original Signed By
Les A. ClementsTITLE _____
Supervisor District 11

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.