

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-104
Revised 10-01-78
RECEIVED
OCT 17 1988

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

O. C. D.
ARTESIA, OFFICE

I. Operator AMAX Oil and Gas Inc.

Address Box 42806 Houston, Texas 77042

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) Effective date - September 1, 1988

If change of ownership give name and address of previous owner Kaneb Operating Company, Ltd., 400 Wilco Bldg., Midland, Texas 79701

II. DESCRIPTION OF WELL AND LEASE

Lease Name <u>Merchon Gas Comm.</u>	Well No. <u>1</u>	Pool Name, including Formation <u>Indian Basin (Upper Penn)</u>	Kind of Lease <u>State, Federal or Fee Federal</u>	Lease No. <u>NM3802</u>
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)
<u>Marathon Oil Company</u>	<u>Box 552 Midland, Texas 79702</u>
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)
<u>Marathon Oil Company</u>	<u>Box 552 Midland, Texas 79702</u>
If well produces oil or liquids, give location of tanks.	Is gas actually connected? When
Unit <u>A</u> Sec. <u>21</u> Twp. <u>22-S</u> Rge. <u>23-E</u>	<u>Yes</u> <u>6-70</u>

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.

Jeffrey B. Robinson
(Signature)

Vice President - Production & Engineering

(Title)

October 12, 1988

(Date)

OIL CONSERVATION DIVISION

APPROVED OCT 24 1988, 19 _____

BY Original Signed By
Mike Williams

TITLE _____

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.
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			

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.)	
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 (Chart-in)	Casing Pressure (Chart-in)	Choke Size