

Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator Merit Energy Company		Well API No.
Address 12221 Merit Drive, Suite 500, Dallas, TX 75251		
Reason(s) for Filing (Check proper box) New Well <input type="checkbox"/> Change in Transporter of: Recompletion <input type="checkbox"/> Oil <input checked="" type="checkbox"/> Dry Gas <input type="checkbox"/> Effective 8-1-92 Change in Operator <input type="checkbox"/> Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>		
If change of operator give name and address of previous operator		

II. DESCRIPTION OF WELL AND LEASE

Lease Name Government D	Well No. 3	Pool Name, including Formation NW Fenton - Delaware	Kind of Lease State, (Federal) or Fee	Lease No. NM-17095
Location Unit Letter <u>D</u> : <u>660</u> Feet From The <u>N</u> Line and <u>630</u> Feet From The <u>W</u> Line Section <u>12</u> Township <u>21S</u> Range <u>27E</u> , <u>NMPM</u> , <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"/> Pride Pipeline	Address (Give address to which approved copy of this form is to be sent) P. O. Box 2436, Abilene, TX					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> GPM Gas Corporation	Address (Give address to which approved copy of this form is to be sent) P. O. Box 2105, Hobbs, NM 88240					
If well produces oil or liquids, give location of tanks.	Unit NE/NW	Sec. 12	Twp. 21S	Rge. 27E	Is gas actually connected? Yes	When? 11-27-85

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	Drill 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

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 Tank	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. OPERATOR 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 above is true and complete to the best of my knowledge and belief.

Signature Sheryl J. Carruth
Printed Name Sheryl J. Carruth Title Regulatory Manager
Date 7-21-92 Telephone No. (214) 701-8377

OIL CONSERVATION DIVISION

Date Approved JUL 29 1992

By ORIGINAL SIGNED BY
MIKE WILLIAMS
Title SUPERVISOR, DISTRICT II

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

Expires August 31, 1985

5. LEASE DESIGNATION AND SERIAL NO.

NM-17095

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

MAR 13 11 58 AM '91

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Government "D"

9. WELL NO.

See Attached List #3

10. FIELD AND POOL, OR WILDCAT

See Attached List

11. SEC., T., R., M., OR BLK. AND

SURVEY OR AREA

Sec. 1 & 12

T21S, R27E

12. COUNTY OR PARISH

Eddy

13. STATE

New Mexico

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

16.

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

PULL OR ALTER CASING

FRACTURE TREAT

MULTIPLE COMPLETION

SHOOT OR ACIDIZE

ABANDON*

REPAIR WELL

CHANGE PLANS

(Other) Flare Gas

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

REPAIRING WELL

FRACTURE TREATMENT

ALTERING CASING

SHOOTING OR ACIDIZING

ABANDONMENT*

(Other)

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Government "D" Lease, Well Nos. 1,3,6,9, & 15

Merit Energy Company, respectfully requests permission to flare gas from wells on the subject lease as further identified on the attached list.

Phillips 66 Natural Gas Company has advised that due to piping tie-ins and revisions they need to shutdown thier gasathering system to the Aretesia Plant. The plant will be shut in by 6:00 am Tuesday, March 12, 1991 until 6:00 am Wednesday, March 13, 1991. Verbal approval was given on 3-8-91 by Dale Carpenter of the Carlsbad Office.

The flared volume will amount to a total of 80 MCF/D.

18. I hereby certify that the foregoing is true and correct

SIGNED

TITLE Regulatory Manager

DATE 3-8-91

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE 3-19-91

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side