

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
Format 06-01-83
Page 1

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DEC 05 '88

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

O. C. D.

ARTESIA OFFICE

Operator GRAHAM ROYALTY, LTD.
Address 5429 LBJ FWY., SUITE 550, DALLAS, TEXAS 75240

Reason(s) for filing (Check proper box)

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

If change of ownership give name and address of previous owner _____

I. DESCRIPTION OF WELL AND LEASE

| | | | | |
|--|----------------------|---|---|-----------|
| Lease Name NICHOLS | Well No. 1 | Pool Name, including Formation CARLSBAD WOLFCAMP, E | Kind of Lease State, Federal or Fee FEE | Lease No. |
| Location Unit Letter C : 990 Feet From The NORTH Line and 2270 Feet From The WEST Line of Section 21 Township 22S Range 27E , NMPM, EDDY 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"/> ENRON | Address (Give address to which approved copy of this form is to be sent) P.O. BOX 1188, HOUSTON, TEXAS 77251 |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> LLANO | Address (Give address to which approved copy of this form is to be sent) P.O. DRAWER 1320, HOBBS, NM 88241 |
| If well produces oil or liquids, give location of tanks. Unit C Sec. 21 Twp. 22S Rge. 27E | Is gas actually connected? YES When 11/30/88 |

If this production is commingled with that from any other lease or pool, give commingling order number: **MC 2991**
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.

Shirley J. Carruth
(Signature)
REGULATORY ACCOUNTANT
(Title)
12/2/88
(Date)

OIL CONSERVATION DIVISION

APPROVED DEC 7 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 conditions.
Separate Forms C-104 must be filed for each pool in multiply completed wells.

COMPLETION DATA

| | | | | | | | | |
|---|-----------------------------|-----------------|-------------------|----------|--------|-----------|-------------|--------------|
| Designate Type of Completion - (X) | Oil Well | Gas Well | New Well | Workover | Deepen | Plug Back | Same Res'v. | Diff. Res'v. |
| | | X | | | | X | | |
| Well Spudded | Date Compl. Ready to Prod. | Total Depth | P.B.T.D. | | | | | |
| | 9/9/88 | 11,900' | 10,239' | | | | | |
| Well Elevations (DF, R&B, RT, CR, etc.) | Name of Producing Formation | Top Oil/Gas Pay | Tubing Depth | | | | | |
| 3,111' | CARLSBAD WOLFCAMP E | 9826 | 9,742' | | | | | |
| Well Elevations | | | Depth Casing Shoe | | | | | |
| 9826' - 36' | | | 11,912' | | | | | |

TUBING, CASING, AND CEMENTING RECORD

| HOLE SIZE | CASING & TUBING SIZE | DEPTH SET | SACKS CEMENT |
|-----------|----------------------|-----------|--------------|
| 17 1/2" | 13 3/8" | 401' | 400 |
| 12 1/2" | 9 5/8" | 5,388' | 1,950 |
| 8 3/4" | 5 1/2" | 11,912' | 950 |
| | 2 3/8" | 9,742' | |

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)

| | | | |
|---------------------------|-----------------|---|------------|
| 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 |

AS WELL

| | | | |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| Actual Prod. Test - MCF/D | Length of Test | Bbls. Condensate/MMCF | Gravity of Condensate |
| 269 | 24 HRS | 63.2 | 53.1 |
| Sealing Method (pilot, back pr.) | Tubing Pressure (shut-in) | Casing Pressure (shut-in) | Choke Size |
| ORIFICE METER | 620 | SHUT-IN | 20/64" |