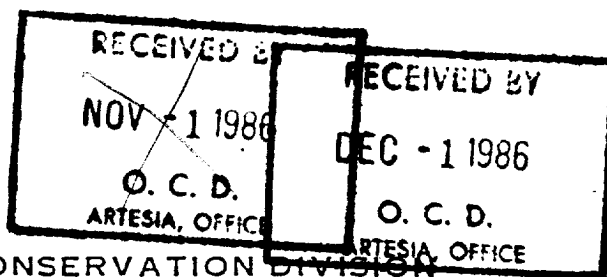


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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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

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

| | |
|--|---|
| Operator Texaco Producing Inc. | |
| Address P. O. Box 728, Hobbs, NM 88240 | |
| Reason(s) for filing (Check proper box) | Other (Please explain) |
| <input type="checkbox"/> New Well <input type="checkbox"/> Recompletion <input type="checkbox"/> Change in Ownership | Change in Transporter of: <input type="checkbox"/> Oil <input type="checkbox"/> Casinghead Gas <input type="checkbox"/> Dry Gas <input type="checkbox"/> Condensate |

Change of ownership give name and address of previous owner _____

DESCRIPTION OF WELL AND LEASE

| | | | | |
|---|---------------|--|--|---------------------|
| Well Name Salt Mountain State "36" | Well No. 2 | Pool Name, Including Formation Brushy Draw Delaware | Kind of Lease State, Federal or Fee State | Lease No. G-8794 |
| Location Unit Letter E ; 330 Feet From The South Line and 380 Feet From The West | | | | |
| Line of Section 36 Township 26S Range 29E, NMPM, Eddy County | | | | |

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

| | |
|---|---|
| Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Navajo Refining Co. Address (Give address to which approved copy of this form is to be sent) P. O. Box 159, Artesia, NM 88210 | Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/> Anco Inc. Address (Give address to which approved copy of this form is to be sent) P. O. Drawer 1267, Ponca City, OK 74603 |
| Well produces oil or liquids, Location of tanks. Unit D Sec. 36 Twp. 26S Rge. 29E | Is gas actually connected? Yes When 11/16/86 |

If 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.

CERTIFICATE OF COMPLIANCE

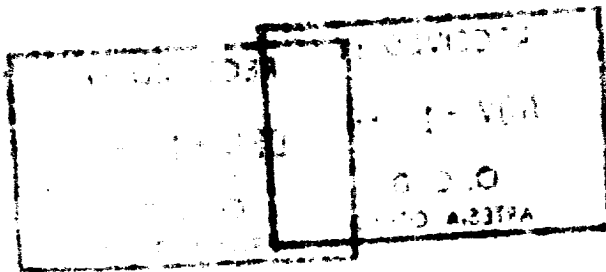
I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

M. W. Browning
(Signature)
District Administrative Supervisor
(Title)
1/20/86
(Date)

OIL CONSERVATION DIVISION

APPROVED DEC 3 1986, 19____
BY Les A. Clements
TITLE Supervisor District H

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 X | Gas Well | New Well X | Workover | Deepen | Plug Back | Same Res'v. | Diff. |
| Date Spudded 10/10/86 | Date Compl. Ready to Prod. 11/16/86 | | Total Depth 5350' | | P.B.T.D. 5260' | | | | |
| Elevations (DF, RKB, RT, GR, etc.) 2877' GR | Name of Producing Formation Delaware | | Top Oil/Gas Pay 5020' | | Tubing Depth 5016' | | | | |
| Perforations 5020-28, 5030-48, 5054-65, 5078-92, w/1 sh/ft - 50 holes | | | | | | | Depth Casing Shoe -- | | |
| TUBING, CASING, AND CEMENTING RECORD | | | | | | | | | |
| HOLE SIZE | CASING & TUBING SIZE | | DEPTH SET | | SACKS CEMENT | | | | |
| 15" | 11 3/4" | | 502' | | 500 | | | | |
| 11" | 8 5/8" | | 2989' | | 1150 | | | | |
| 7 7/8" | 5 1/2" | | 5350' | | 1010 | | | | |
| | 2 7/8 | | 5016 | | | | | | |

V. TEST DATA AND REQUEST FOR ALLOWABLE (Text must be after recovery of total volume of load oil and must be equal to or exceed to able for this depth or be for full 24 hours)

| | | | |
|---|--------------------------|--|------------------|
| Date First New Oil Run To Tanks 11/16/86 | Date of Test 11/16/86 | Producing Method (Flow, pump, gas lift, etc.) Pumping | |
| Length of Test 24 hr. | Tubing Pressure -- | Casing Pressure -- | Choke Size -- |
| Actual Prod. During Test | Oil - Bbls. 103 | Water - Bbls. 355 | Gas - MCF 110 |

GAS WELL

| | | | |
|---------------------------------|---------------------------|---------------------------|-----------------------|
| Actual Prod. Test - MCF/D | Length of Test | Bbls. Condensate/MMCF | Gravity of Condensate |
| Testing Method (puot, back pr.) | Tubing Pressure (Shut-in) | Casing Pressure (Shut-in) | Choke Size |