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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  
Bottom of Page

JAN 31 1994

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REQUEST FOR ALLOWABLE AND AUTHORIZATION  
TO TRANSPORT OIL AND NATURAL GAS

|   |  |
|---|--|
| Operator<br>Merit Energy Company  | Well API No.<br>30-015-27547   |
| Address<br>12222 Merit Drive, Suite 1500 Dallas, Texas 75251                            |  |
| Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain) |  |
| New Well <input type="checkbox"/>   | Change in Transporter of: <input checked="" type="checkbox"/> Dry Gas <input type="checkbox"/> |
| Recompletion <input type="checkbox"/>   | Oil <input type="checkbox"/>   |
| Change in Operator <input type="checkbox"/>   | Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/> Effective 2/1/94   |
| If change of operator give name and address of previous operator                        |  |

II. DESCRIPTION OF WELL AND LEASE

|  |               |  |  |                       |
|--|---------------|--|--|-----------------------|
| Lease Name<br>Sundance Federal   | Well No.<br>8 | Pool Name, Including Formation<br>Sand Dunes Delaware West | Kind of Lease<br>State, Federal or Fee | Lease No.<br>NM031963 |
| Location<br>Unit Letter F : 1980 Feet From The FNL Line and 1980 Feet From The FWL Line<br>Section 5 Township T24S Range R31E, NMPM, Eddy County |               |  |  |                       |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

|  |  |
|--|--|
| Name of Authorized Transporter of Oil<br>EOTT Energy Corporation | Address (Give address to which approved copy of this form is to be sent)<br>P.O. Box 4666 Houston, Texas 77210 |
| Name of Authorized Transporter of Casinghead Gas<br>GPM          | Address (Give address to which approved copy of this form is to be sent)                                       |
| If well produces oil or liquids, give location of tanks.         | Unit Sec. Twp. Rge. Is gas actually connected? When ?  |

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      |           |            |            |
|                                     |                             |          |                 |          | Part ID-3         |           |            |            |
|                                     |                             |          |                 |          | 2-18-93           |           |            |            |
|                                     |                             |          |                 |          | dy LT: PPC        |           |            |            |

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  
Linda Murphy Regulatory Administrator

Printed Name  
January 27, 1994 214/701-8377 Title

Date Telephone No.

OIL CONSERVATION DIVISION

FEB 3 1994

Date Approved

By

SUPERVISOR, DISTRICT II

Title

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.