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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
at Bottom of Page

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90 FEB 5 AM 9 28

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator Bannon Energy, Inc. c/o Holcomb Oil & Gas, Inc.	Well API No. 30-039-24539
Address P.O. Box 2058, Farmington, NM 87499	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input type="checkbox"/>	Change in Transporter of:
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> Effective 1-1-90
Change in Operator <input type="checkbox"/>	Casinghead Gas <input checked="" 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 Grace Federal 1	Well No. 1R	Pool Name, Including Formation Lybrook Gallup	Kind of Lease State, Federal or Fee	Lease No. SF 078362
Location Unit Letter E : 2250 Feet From The north Line and 500 Feet From The west Line Section 1 Township 23N Range 7W, NMPM, Rio Arriba 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"/> Conoco Oil	Address (Give address to which approved copy of this form is to be sent) P. O. Box 1429 Bloomfield, NM 87413					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Bannon Energy, Inc.	Address (Give address to which approved copy of this form is to be sent) 3934 F.M. 1960 West Suite 240, Houston TX 77068					
If well produces oil or liquids, give location of tanks.	Unit E	Sec. 1	Twp. 23N	Rge. 7W	Is gas actually connected? yes	When? 10-5-89
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			
			JAN 3 0 1990					
			OIL CON. DIV					

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/MCF	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
W. J. Holcomb Agent, Bannon Energy
Printed Name Title
1-25-90 (505) 326-0550
Date Telephone No.

OIL CONSERVATION DIVISION

Date Approved JAN 3 0 1990
By [Signature]
Title SUPERVISOR DISTRICT #

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.