

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

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| LAND OFFICE            |     |
| TRANSPORTER            | OIL |
|                        | GAS |
| OPERATOR               |     |
| PRODUCTION OFFICE      |     |

OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-104  
Revised 10-01-78  
Format 08-01-83  
Page 1

REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator  
American Exploration Company

Address  
2100 RepublicBank Center, Houston, Texas 77002

Reason(s) for filing (Check proper box)

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

If change of ownership give name and address of previous owner Tesoro Petroleum Corporation, 8700 Tesoro Drive, San Antonio, Tex. 78286

II. DESCRIPTION OF WELL AND LEASE

|   |                |   |  |     |           |
|---|----------------|---|--|-----|-----------|
| Lease Name<br>Hospah Sand Unit  | Well No.<br>98 | Pool Name, including Formation<br>Hospah Upper Sand | Kind of Lease<br>State, Federal or Fee | Fee | Lease No. |
| Location<br>Unit Letter <u>A</u> : <u>10</u> Feet From The <u>North</u> Line and <u>1330</u> Feet From The <u>East</u><br>Line of Section <u>1</u> Township <u>17N</u> Range <u>9W</u> , NMPM, <u>McKinley</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"/><br>Ciniza Pipeline | Address (Give address to which approved copy of this form is to be sent)<br>P. O. Blx 1887, Bloomfield, N.M. 87413 |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>                       | 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 <u>B</u> Sec. <u>1</u> Twp. <u>17N</u> Rge. <u>9W</u>   |
| Is gas actually connected?  | When   |

If this 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.

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.

Roy Quiroga  
(Signature) Roy Quiroga  
Production Administrator  
(Title)  
August 17, 1988  
(Date)

OIL CONSERVATION DIVISION

APPROVED 9 AUG 26 1988, 19  
BY [Signature]  
TITLE SUPERVISION DISTRICT #3

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

#### V. 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)

|                                 |                 |   |            |
|---------------------------------|-----------------|---|------------|
| Date First New Oil Run To Tanks | 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 (psat, back pr.) | Tubing Pressure (Shut-in) | Casing Pressure (Shut-in) | Choke Size            |