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NEW MEXICO OIL CONSERVATION COMMISSION  
REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104  
Supersedes Old C-104 and C-110  
Effective 1-1-65

|                                                       |                                                                             |
|-------------------------------------------------------|-----------------------------------------------------------------------------|
| Operator<br>J. Gregory Merriam & Robert L. Bayless    |                                                                             |
| Address<br>P.O. Box 1541 Farmington, New Mexico 87401 |                                                                             |
| Reason(s) for filing (Check proper box)               |                                                                             |
| New Well <input checked="" type="checkbox"/>          | Change in Transporter of:                                                   |
| Recompletion <input type="checkbox"/>                 | Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>               |
| Change in Ownership <input type="checkbox"/>          | Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/> |
| Other (Please explain)                                |                                                                             |

If change of ownership give name  
and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

|                              |                 |                                                       |                                                |                       |
|------------------------------|-----------------|-------------------------------------------------------|------------------------------------------------|-----------------------|
| Lease Name<br>South Huerfano | Well No.<br>1   | Pool Name, Including Formation<br>Undesignated Dakota | Kind of Lease<br>State, Federal or Fee Federal | Lease No.<br>NM 13751 |
| Location                     |                 |                                                       |                                                |                       |
| Unit Letter<br>M             | 790             | Feet From The<br>S                                    | Line and<br>890                                | Feet From The<br>W    |
| Line of Section<br>35        | Township<br>25N | Range<br>8W                                           | NMPM,                                          | San Juan 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>Gorihon Four Corners Island Corp | Address (Give address to which approved copy of this form is to be sent)<br>1828 Farmington 21. 71.<br>Box 457 Farmington, New Mexico 87401 |            |            |           |                                  |      |
| 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,<br>give location of tanks.                                                                                          | Unit<br>11                                                                                                                                  | Sec.<br>35 | Twp.<br>25 | Rge.<br>8 | Is gas actually connected?<br>No | 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 <input checked="" type="checkbox"/>    | Gas Well                | New Well                  | Workover | Deepen       | Plug Back | Same Res'v. | Diff. Res'v. |
| Date Spudded<br>November 6, 1973              | Date Compl. Ready to Prod.<br>November 12, 1973 | Total Depth<br>7268     | P.B.T.D.<br>7230          |          |              |           |             |              |
| Elevations (DF, RKB, RT, CR, etc.)<br>7314 KB | Name of Producing Formation<br>Dakota           | Top Oil/Gas Pay<br>7029 | Tubing Depth<br>7050      |          |              |           |             |              |
| Perforations                                  |                                                 |                         | Depth Casing Shoe<br>7266 |          |              |           |             |              |
| TUBING, CASING, AND CEMENTING RECORD          |                                                 |                         |                           |          |              |           |             |              |
| HOLE SIZE                                     | CASING & TUBING SIZE                            |                         | DEPTH SET                 |          | SACKS CEMENT |           |             |              |
| 12 1/4                                        | 8 5/8                                           |                         | 175                       |          | 120          |           |             |              |
| 7 7/8                                         | 5 1/2 15.5"                                     |                         | 7266                      |          | 125          |           |             |              |

V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL (Test must be after recovery of total volume of gas and 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<br>November 12, 1973 | Date of Test<br>November 20, 1973 | Producing Method (Flow, pump, gas lift, etc.)<br>Pump |
| Length of Test<br>24                                 | Tubing Pressure<br>-0-            | Casing Pressure<br>-0-                                |
| Actual Prod. During Test<br>8                        | Oil-Bbls.<br>6                    | Water-Bbls.<br>2                                      |
|                                                      |                                   | Choke Size<br>2-1/2 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. CERTIFICATE OF COMPLIANCE

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

W. H. K.  
(Signature)  
Co-Owner  
(Title)  
3-26-74  
(Date)

OIL CONSERVATION COMMISSION

MAR 27 1974

APPROVED \_\_\_\_\_, 19 \_\_\_\_\_

BY Original Signed by Emery C. Arnold

SUPERVISOR DIST. #5

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 condition.