

|                   |     |
|-------------------|-----|
| DISTRIBUTION      |     |
| SANTA FE          |     |
| FULL              |     |
| U.S.G.S.          |     |
| LAND OFFICE       |     |
| TRANSPORTER       | OIL |
|                   | GAS |
| OPERATOR          |     |
| PRODUCTION OFFICE |     |

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

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

I. Operator  
Southland Royalty Company

Address  
P. O. Drawer 570, 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"/> |
| Change in Ownership | <input type="checkbox"/>            | Casinghead Gas            | <input type="checkbox"/> |
|                     |                                     | Dry 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 | Well No. | Pool Name, including Formation | Kind of Lease                 | Lease No. |
| Hanks      | 12-E     | Basin Dakota                   | State, Federal or Fee Federal | SF-077874 |

Location

Unit Letter P 1020 Feet From The South Line and 725 Feet From The East

Line of Section 7 Township 27N Range 9W , NMPM, San Juan County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

|  |  |
|--|--|
| Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input checked="" type="checkbox"/>         | Address (Give address to which approved copy of this form is to be sent) |
| Plateau, Inc.  | 4775 Ind. Sch. Rd., N.E., Albuquerque, NM 87110                          |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |
| Southern Union Gathering   | P. O. Box 1899, Bloomfield, N.M. 87413                                   |

|  |      |      |      |      |                            |      |
|--|------|------|------|------|----------------------------|------|
| If well produces oil or liquids, give location of tanks. | Unit | Sec. | Twp. | Rge. | Is gas actually connected? | When |
|  |      |      |      |      | No                         |      |

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. |
|                                    |          | X        | X        |          |        |           |             |              |

|                                    |                             |                 |                   |
|------------------------------------|-----------------------------|-----------------|-------------------|
| Date Spudded                       | Date Compl. Ready to Prod.  | Total Depth     | P.B.T.D.          |
| 11-03-80                           | 3-29-81                     | 7108'           | 7073'             |
| Elevations (DF, RKL, RT, GR, etc.) | Name of Producing Formation | Top Oil/Gas Pay | Tubing Depth      |
| 6487' GR                           | Dakota                      | 6938'           | 7061'             |
| Perforations                       |                             |                 | Depth Casing Shoe |
| 6938'-7079'                        |                             |                 | 7108'             |

TUBING, CASING, AND CEMENTING RECORD

|           |                      |           |                       |
|-----------|----------------------|-----------|-----------------------|
| HOLE SIZE | CASING & TUBING SIZE | DEPTH SET | 140 SACKS CEMENT      |
| 12-1/4"   | 8-5/8"               | 221'      | 221 sacks             |
| 7-7/8"    | 4-1/2"               | 7108'     | 1090 sacks (3 stages) |
|           | 2-3/8"               | 7061'     |                       |

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 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 |
| 202                                    | 3 hrs                     |                           |                       |
| Testing Method (pilot, back pr., etc.) | Tubing Pressure (Shut-in) | Casing Pressure (Shut-in) | Choke Size            |
| Back Pressure                          | 612                       | 884                       | 3/4"                  |

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.

(Signature)  
District Production Manager  
(Title)  
May 7, 1981  
(Date)

OIL CONSERVATION COMMISSION

APPROVED MAY 11 1981, 1981

BY Original Signed by FRANK J. GARY

TITLE SUPERVISOR DISTRICT # 2

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.