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 Appropriate District Office
 DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
 Energy, Minerals and Natural Resources Department

RECEIVED

Form C-104
 Revised 1-1-89
 See Instructions
 at Bottom of Page

DISTRICT II
 P.O. Drawer DD, Aztec, NM 88210

OIL CONSERVATION DIVISION
 P.O. Box 2088

NOV 2 '90

Santa Fe, New Mexico 87504-2088

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

O. C. D.
 ARTESIA, OFFICE

REQUEST FOR ALLOWABLE AND AUTHORIZATION
 TO TRANSPORT OIL AND NATURAL GAS

I.

| | |
|---|---|
| Operator Merit Energy Company ✓ | Well API No. |
| Address 12221 Merit Drive, Suite 1040, 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 type="checkbox"/> |
| Recompletion <input type="checkbox"/> | Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> |
| Change in Operator <input checked="" type="checkbox"/> | Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/> |
| EFFECTIVE 11/01/90 | |

If change of operator give name and address of previous operator Bridge Oil Company, L. P., 12377 Merit Dr., Suite 1600, Dallas, TX 75251

II. DESCRIPTION OF WELL AND LEASE

| | | | | |
|---|-----------------|--|--|-----------|
| Lease Name Henshaw Deep Unit | Well No. 3-Y | Pool Name, including Formation Henshaw - Wolfcamp | Kind of Lease State <input checked="" type="checkbox"/> Federal <input type="checkbox"/> or Fee | Lease No. |
| Location Unit Letter <u>K</u> : <u>1925</u> Feet From The <u>S</u> Line and <u>1980</u> Feet From The <u>W</u> Line Section <u>24</u> Township <u>16S</u> Range <u>30E</u> , <u>NMPM</u> , <u>Eddy</u> County | | | | |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

| | | | | | |
|--|--|------------|-------------|-------------|---|
| Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/> Navajo Refining Co. - Pipeline Division | Address (Give address to which approved copy of this form is to be sent) N. Freeman Ave., Artesia, NM 88210 | | | | |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/> Phillips Petroleum Co. | Address (Give address to which approved copy of this form is to be sent) 4001 Penhook St., Odessa, TX 79962 | | | | |
| If well produces oil or liquids, give location of tanks. | Unit C | Sec. 24 | Twp. 16S | Rgn. 30E | Is gas actually connected? When? Yes 11-9-62 |

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 | | |
| | | | | | | | | |
| | | | | | | | | |

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 <u>11-9-90</u> <u>OP 2 1/2"</u> |
| 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.

Bonnie C. Shea
 Signature
Bonnie C. Shea V.P. Finance
 Printed Name Title
11-1-90 (214) 701-8377
 Date Telephone No.

OIL CONSERVATION DIVISION

Date Approved NOV 7 1990
 By ORIGINAL SIGNED BY
MIKE WILLIAMS
 Title SUPERVISOR, DISTRICT II

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.