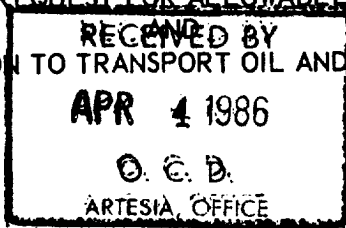


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| LAND OFFICE | | |
| TRANSPORTER | OIL | ✓ |
| | GAS | ✓ |
| OPERATOR | | ✓ |
| PRORATION OFFICE | | |

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

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



| | |
|--|----------------------------|
| Operator H & S Oil Company | |
| Address Suite 303, First Natl. Bank Bldg. - Artesia, NM 88210 | |
| Reason(s) for filing (Check proper box) | Other (Please explain) |
| New Well <input checked="" type="checkbox"/> | CASINGHEAD GAS MUST NOT BE |
| Recompletion <input type="checkbox"/> | FLARED AFTER 5-15-86 |
| Change in Ownership <input type="checkbox"/> | UNLESS AN EXCEPTION FROM |
| | THE B. L. M. IS OBTAINED |

If change of ownership give name
and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

| | | | | |
|--|---------------|---|--|----------------------|
| Lease Name Scott Federal | Well No. 1 | Pool Name, Including Formation Red Lake (Q.G.SA) | Kind of Lease State, Federal or Fee Federal | Lease No. NM41655 |
| Location Unit Letter P ; 660 Feet From The South Line and 660 Feet From The East Line of Section 12 Township 17S Range 27E , NMPM, Eddy 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"/> Navajo Refining Co. | Address (Give address to which approved copy of this form is to be sent) P.O. Drawer 159 - Artesia, NM 88210 | | | | | |
| Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Phillips 66 Natural Gas | Address (Give address to which approved copy of this form is to be sent) Bartlesville, Oklahoma 74004 | | | | | |
| If well produces oil or liquids, give location of tanks. | Unit P | Sec. 12 | Twp. 17S | Rge. 27E | Is gas actually connected? 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 <input checked="" type="checkbox"/> | Workover | Deepen | Plug Back | Same Res'v. | Diff. Res'v. |
| Date Spudded 10/21/85 | Date Compl. Ready to Prod. 12/2/85 | | Total Depth 1822 | | P.B.T.D. | | | |
| Elevations (DF, RKB, RT, GR, etc.) 3507' KB | Name of Producing Formation Queen, Grayburg, SA | | Top Oil/Gas Pay 1200' | | Tubing Depth 1666' | | | |
| Perforations 1232-34, 1200-1212, 1496-1502, 1688-1700 | | | | | Depth Casing Shoe | | | |
| TUBING, CASING, AND CEMENTING RECORD | | | | | | | | |
| HOLE SIZE | CASING & TUBING SIZE | | DEPTH SET | | SACKS CEMENT | | | |
| 12 1/4" | 8 5/8" | | 294' | | 250 SX W/2% Cal.Ch. | | | |
| 7 7/8" | 5 1/2" | | 1822' | | 295 SX light wt. Vstd. | | | |
| | 2 3/8" | | 1666' | | 150 SX tail end std. | | | |

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 12/2/85 | Date of Test 12/2/85 | Producing Method (Flow, pump, gas lift, etc.) Pump | | Pst ID-2 4-18-86 Comp + BK |
| Length of Test 24 hrs. | Tubing Pressure | Casing Pressure | Choke Size | (X) |
| Actual Prod. During Test | Oil - Bbls. 5 bbl. | Water - Bbls. 9 bbl. | Gas - MCF 80 MCF | |

GAS WELL

| | | | |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| Actual Prod. Test - MCF/D | Length of Test | Bbls. Condensate/MMCF | Gravity of Condensate |
| Testing Method (pitot, 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.

Robert R. Spurr
Partner
4/3/86
(Signature)
(Title)
(Date)

OIL CONSERVATION COMMISSION

APPROVED APR 14 1986, 19
BY Original Signed By
Les A. Clements
TITLE Supervisor District II

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.