

District I  
District II  
District III  
District IV  
1220 S. St. Francis Dr. Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources

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DEC 08 2008

HOBBSON

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to Appropriate District Office

☐ AMENDED FILE

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

|                                                                                           |                                                   |                                                                                          |
|-------------------------------------------------------------------------------------------|---------------------------------------------------|------------------------------------------------------------------------------------------|
| <sup>1</sup> Operator name and Address<br>Vale E. Key, Inc. dba Key Energy Services, Inc. |                                                   | <sup>2</sup> OGRID Number 19797                                                          |
|                                                                                           |                                                   | <sup>3</sup> Reason for Filing Code/ Effective Date<br>Sale Skim Oil 12/03/2008 183 BBLS |
| <sup>4</sup> API Number<br>30 - 025-10500 ✓                                               | <sup>5</sup> Pool Name<br>SWD San Andres          | <sup>6</sup> Pool Code<br>96121                                                          |
| <sup>7</sup> Property Code<br>28410                                                       | <sup>8</sup> Property Name<br>Christmas SWD-606 ✓ | <sup>9</sup> Well Number<br>3 ✓                                                          |

II. <sup>10</sup> Surface Location

|                                   |                             |                               |                            |                       |                                        |                                         |                                     |                                      |                               |
|-----------------------------------|-----------------------------|-------------------------------|----------------------------|-----------------------|----------------------------------------|-----------------------------------------|-------------------------------------|--------------------------------------|-------------------------------|
| <sup>11</sup> U/I or lot no.<br>B | <sup>12</sup> Section<br>28 | <sup>13</sup> Township<br>22S | <sup>14</sup> Range<br>37E | <sup>15</sup> Lot Idn | <sup>16</sup> Feet from the<br>330 ft. | <sup>17</sup> North/South Line<br>North | <sup>18</sup> Feet from the<br>2310 | <sup>19</sup> East/West line<br>East | <sup>20</sup> County<br>Lea ✓ |
|-----------------------------------|-----------------------------|-------------------------------|----------------------------|-----------------------|----------------------------------------|-----------------------------------------|-------------------------------------|--------------------------------------|-------------------------------|

<sup>11</sup> Bottom Hole Location

|                              |                                     |                                   |                                   |                                    |                                     |                                |                             |                              |                      |
|------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|-------------------------------------|--------------------------------|-----------------------------|------------------------------|----------------------|
| <sup>21</sup> U/I or lot no. | <sup>22</sup> Section               | <sup>23</sup> Township            | <sup>24</sup> Range               | <sup>25</sup> Lot Idn              | <sup>26</sup> Feet from the         | <sup>27</sup> North/South line | <sup>28</sup> Feet from the | <sup>29</sup> East/West line | <sup>30</sup> County |
| <sup>31</sup> Use Code       | <sup>32</sup> Producing Method Code | <sup>33</sup> Gas Connection Date | <sup>34</sup> C-129 Permit Number | <sup>35</sup> C-129 Effective Date | <sup>36</sup> C-129 Expiration Date |                                |                             |                              |                      |

III. Oil and Gas Transporters

|                                 |                                            |                   |                   |                                                  |
|---------------------------------|--------------------------------------------|-------------------|-------------------|--------------------------------------------------|
| <sup>37</sup> Transporter OGRID | <sup>38</sup> Transporter Name and Address | <sup>39</sup> POD | <sup>40</sup> O/G | <sup>41</sup> POD ULSFR Location and Description |
| 215019                          | BLACK HAWK GATHERING, LLC                  | 2816488           |                   |                                                  |
|                                 | P.O. BOX 10815                             |                   |                   |                                                  |
|                                 | MIDLAND TX 79702                           |                   |                   |                                                  |
|                                 | 432-631-2260                               |                   |                   |                                                  |
|                                 |                                            |                   |                   |                                                  |
|                                 |                                            |                   |                   |                                                  |
|                                 |                                            |                   |                   |                                                  |
|                                 |                                            |                   |                   |                                                  |
|                                 |                                            |                   |                   |                                                  |

IV. Produced Water

|                   |                                                  |
|-------------------|--------------------------------------------------|
| <sup>42</sup> POD | <sup>43</sup> POD ULSFR Location and Description |
|-------------------|--------------------------------------------------|

V. Well Completion Data

|                         |                                    |                         |                            |                            |                       |
|-------------------------|------------------------------------|-------------------------|----------------------------|----------------------------|-----------------------|
| <sup>44</sup> Spud Date | <sup>45</sup> Ready Date           | <sup>46</sup> TD        | <sup>47</sup> FBTD         | <sup>48</sup> Perforations | <sup>49</sup> DHC, BH |
| <sup>50</sup> Hole Size | <sup>51</sup> Casing & Tubing Size | <sup>52</sup> Depth Set | <sup>53</sup> Sacks Cement |                            |                       |
|                         |                                    |                         |                            |                            |                       |
|                         |                                    |                         |                            |                            |                       |
|                         |                                    |                         |                            |                            |                       |
|                         |                                    |                         |                            |                            |                       |

VI. Well Test Data

|                            |                                 |                         |                           |                             |                             |
|----------------------------|---------------------------------|-------------------------|---------------------------|-----------------------------|-----------------------------|
| <sup>54</sup> Date New Oil | <sup>55</sup> Gas Delivery Date | <sup>56</sup> Test Date | <sup>57</sup> Test Length | <sup>58</sup> Ibg. Pressure | <sup>59</sup> Csg. Pressure |
| <sup>60</sup> Choke Size   | <sup>61</sup> Oil               | <sup>62</sup> Water     | <sup>63</sup> Gas         | <sup>64</sup> AOF           | <sup>65</sup> Test Method   |

<sup>66</sup> I hereby certify that the rules 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

Signature:

Printed name:  
RHONDA PASCHAL

Title:  
Clerk

Date  
12/03/2008

Phone:  
(575) 394-2581

OIL CONSERVATION DIVISION

Approved by:

Title:

PETROLEUM ENGINEER

Approval Date:

DEC 09 2008

# BLACK HAWK GATHERING, LLC

P.O. Box 10815  
Midland, TX 79702  
(432) 631-2260

This ticket covers all claims for allowance

Oil represented by this ticket was received & run as property of Black Hawk Gathering, LLC.

STORAGE TURB-HLBS RUN TICKET NO. **110040**

DATE 12-03-08 UNIT NO. TK 595 TRL 690

OPERATOR KEY ENERGY  
LEASE NAME CHRISTMAS SWD

|              |                   |                     |                     |                              |
|--------------|-------------------|---------------------|---------------------|------------------------------|
| 1ST<br>GAUGE | FEET<br><u>10</u> | INCHES<br><u>11</u> | <u>3</u> / <u>4</u> | BBLs<br><u>218</u> <u>70</u> |
| 2ND<br>GAUGE | <u>1</u>          | <u>9</u>            | <u>2</u> / <u>4</u> | BBLs<br><u>35</u> <u>69</u>  |

PLEASE COMPLETE ALL BLANKS

GROSS  
183 01

|                                             |                          |                        |                                        |        |
|---------------------------------------------|--------------------------|------------------------|----------------------------------------|--------|
| INCHES<br><u>3</u> / <u>10</u>              | B.S.<br><u>10%</u>       | FREE WATER<br><u>Ø</u> | TOTAL B S & W<br><u>0.3</u> <u>10%</u> | FACTOR |
| TANK SIZE<br><u>400</u>                     | TANK HEIGHT<br><u>20</u> |                        |                                        | NET    |
| GRAVEL GRAVITY TEMP<br><u>115</u> <u>60</u> |                          |                        | TRUE                                   | PRICE  |
| DEAL                                        | NUMBER                   | ON                     |                                        | AMOUNT |

Oil is not in tanks

183.01

REMARKS

☐ SHORT LOAD  
☐ EXCESS BOTTOM  
☐ HIGH BS & W

TANK NO. \_\_\_\_\_

TOP GAUGE \_\_\_\_\_

PLANNED DRAIN

BOTTOM GAUGE \_\_\_\_\_

DETHANDUM CRUDE OIL, 3, UN1267, PGII  
EMERGENCY #1-432-631-2260

TIME OFF 10:00 GAUGER EARL MAYER  
TIME OFF \_\_\_\_\_ GAUGER WITNESS \_\_\_\_\_