

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

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

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Form C-104
Revised Feb. 26, 2007

Submit to Appropriate District Office
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☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address KERNS PETROLEUM, INC. 1777 NE LOOP 410, STE 930 SAN ANTONIO, TX 78217		² OGRID Number 250384
		³ Reason for Filing Code/ Effective Date NW / SEPTEMBER 2009
⁴ API Number 30 - 025-38712	⁵ Pool Name URSSEY TANK;YATES-7 RVRS	⁶ Pool Code 97726
⁷ Property Code 36717	⁸ Property Name EUMONT STATE	⁹ Well Number 002

II. ¹⁰ Surface Location

Ul or lot no. F	Section 36	Township 21S	Range 35E	Lot Idn F	Feet from the 1650	North/So Line N	Feet from the 1825	East/West line W	County LEA
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¹¹ Bottom Hole Location

Ul or lot no. F	Section 36	Township 21S	Range 35E	Lot Idn F	Feet from the 1650	North/So Line N	Feet from the 1825	East/West line W	County LEA
¹² Lse Code S	¹³ Prod Method Code F	¹⁴ Gas Connect Date 8/29/09	¹⁵ C-129 Permit Number N/A	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ O/G/W
034053	PLAINS MARKETING LP 500 DALLAS, STE 700 HOUSTON, TX	O
246624	DCP MIDSTREAM, LP 10 DESTA DRIVE, STE 400 MIDLAND, TX	G

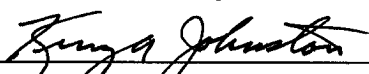
IV. Well Completion Data

²¹ Spud Date 6/07/2009	²² Ready Date 8/13/09	²³ TD 4,296'	²⁴ PBTD N/A	²⁵ Perforations 3,943 - 3,946'	²⁶ DHC, MC
²⁷ Hole Size 12-1/2	²⁸ Casing & Tubing Size 8-5/8	²⁹ Depth Set 365	³⁰ Sacks Cement 290		
7-7/8	5-1/2	4,296	870		
	2-7/8	3,924			

V. Well Test Data

³¹ Date New Oil 8/14/09	³² Gas Delivery Date 8/29/09	³³ Test Date 8/14/09	³⁴ Test Length 24 HOURS	³⁵ Tbg. Pressure 280	³⁶ Csg. Pressure 450
³⁷ Choke Size 18/64	³⁸ Oil 467 BOPD	³⁹ Water 0	⁴⁰ Gas 60	⁴¹ Test Method FLOWING	

⁴² 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: KERRY JOHNSTON

Title: VICE PRESIDENT

E-mail Address: KJOHNSTON@KERNSPETRO.COM

Date: AUGUST 31, 2009
Phone: (210) 829-7881 x112

OIL CONSERVATION DIVISION

Approved by:

Title: PETROLEUM ENGINEER

Approval Date: DEC 30 2009