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| TRANSPORTER            | OIL |  |
|                        | GAS |  |
| OPERATOR               |     |  |
| PRORATION OFFICE       |     |  |

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

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

30-025-29653

I. Operator  
Spectrum 7 Exploration Company

Address  
1610 North J, Midland, Texas 79701

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)  
**CASINGHEAD GAS MUST NOT BE  
FLARED AFTER 7-1-86  
UNLESS AN EXCEPTION TO RULE 110  
IS OBTAINED.**

If change of ownership give name  
and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

|  |               |  |   |           |
|--|---------------|--|---|-----------|
| Lease Name<br>Jackson  | Well No.<br>1 | Pool Name (including Formation)<br><i>West Livingston Penn</i><br><del>Shoe Bar, N. Strawn</del> | Kind of Lease<br>State, Federal or Fee<br>Fee | Lease No. |
| Location<br>Unit Letter <i>F</i> , 1650 Feet From The <i>North</i> Line and 1700 Feet From The <i>West</i> |               |  |   |           |
| Line of Section 19 Township 16S Range 36E, NMPM, Lea 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"/> | Address (Give address to which approved copy of this form is to be sent)<br>Lantern Petroleum Corporation<br>P.O. Box 2281, Midland, Texas 79702 |            |             |             |                                  |      |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>    | Address (Give address to which approved copy of this form is to be sent)<br>None as yet  |            |             |             |                                  |      |
| If well produces oil or liquids,<br>give location of tanks.  | Unit<br>F  | Sec.<br>19 | Twp.<br>16S | Rge.<br>36E | Is gas actually connected?<br>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                  | Gas Well  | New Well                     | Workover             | Deepen | Plug Back | Same Res'v. | Diff. Res'v. |
|   |                                       | X                         |           | X                            |                      |        |           |             |              |
| Date Spudded<br>3/12/86   | Date Compl. Ready to Prod.<br>5/10/86 | Total Depth<br>11,700     |           | P.B.T.D.<br>11,544           |                      |        |           |             |              |
| Elevations (DF, RKB, RT, GR, etc.)<br>3951.1" GR                | Name of Producing Formation<br>Strawn | Top Oil/Gas Pay<br>11,378 |           | Tubing Depth<br>11,535       |                      |        |           |             |              |
| Perforations<br>11,400' to 11,465' w/1 shot/interval (22 holes) |                                       |                           |           | Depth Casing Shoe<br>11,597' |                      |        |           |             |              |
| TUBING, CASING, AND CEMENTING RECORD                            |                                       |                           |           |                              |                      |        |           |             |              |
| HOLE SIZE   | CASING & TUBING SIZE                  |                           | DEPTH SET |                              | SACKS CEMENT         |        |           |             |              |
| 17 1/2  | 13 3/8                                |                           | 420       |                              | 345 Class C          |        |           |             |              |
| 11  | 8 5/8                                 |                           | 4,274     |                              | 3550 Lite + 200 CL.C |        |           |             |              |
| 7 7/8   | 5 1/2                                 |                           | 11,597    |                              | 450 Poz + 150 CL. H  |        |           |             |              |
| 5 1/2   | 2 7/8                                 |                           | 11,535    |                              |                      |        |           |             |              |

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<br>5/10/86 | Date of Test<br>6/08/86 | Producing Method (Flow, pump, gas lift, etc.)<br>1 1/2" insert pump |                   |
| Length of Test<br>24 hours                 | Tubing Pressure<br>125  | Casing Pressure<br>40   | Choke Size        |
| Actual Prod. During Test                   | Oil - Bbls.<br>46       | Water - Bbls.<br>44   | Gas - MCF<br>55.6 |

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. 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.

*Neal A Taylor*  
(Signature)

Petroleum Consultant  
(Title)

6/11/86  
(Date)

OIL CONSERVATION COMMISSION

APPROVED **JUL 8 1986**, 19

BY **ORIGINAL SIGNED BY JERRY SEXTON**  
DISTRICT I SUPERVISOR

TITLE

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.

