

Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

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

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator Mallon Oil Company		Well API No. 30-025-29796
Address 999 18th Street, Suite 1700, Denver, Colorado, 80202		
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)		
New Well <input type="checkbox"/>	Change in Transporter of:	
Recompletion <input type="checkbox"/>	Oil <input checked="" type="checkbox"/> Dry Gas <input type="checkbox"/>	
Change in Operator <input checked="" type="checkbox"/>	Casinghead Gas <input checked="" type="checkbox"/> Condensate <input type="checkbox"/>	
If change of operator give name and address of previous operator Penzoil Exploration & Production Company, P.O. Box 2967, Houston, TX 77252-2967		

II. DESCRIPTION OF WELL AND LEASE

Lease Name STATE '16'	Well No. 3	Pool Name, Including Formation Lovington Penn Northeast	Kind of Lease <input checked="" type="checkbox"/> State, Federal or Fee	Lease No. K-6806-1
Location Unit Letter I : 1,980 Feet From The South Line and 660 Feet From The East Line Section 16 Township 16S Range 37E, 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) Texas New Mexico Pipe Line Co. 205 E. Bender, Hobbs, NM 88240-2528					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) GPM Gas Corp. P.O. Box 5050, Bartlesville, OK 74005					
If well produces oil or liquids, give location of tanks.	Unit I	Sec. 16	Twp. 16	Rge. 37	Is gas actually connected? Yes	When? 3/7/87

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	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded 11/19/86	Date Compl. Ready to Prod. 12/31/86		Total Depth 11,930	P.D.F.D.				
Elevations (D.F., RKB, RT, GR, etc.) 3792.9GR	Name of Producing Formation Stawn		Top Oil/Gas Pay 11,504	Tubing Depth 11,440				
Perforations 11,504-1/2 to 11,515 22 holes .43"				Depth Casing Shoe 11,930				
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE 17-1/2"	CASING & TUBING SIZE 13-3/8"		DEPTH SET 445'		SACKS CEMENT 600			
11"	8-5/8"		4,391'		1,800			
7-7/8"	5-1/2"		11,890'		475			
	2-7/8"		11,440'					

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)

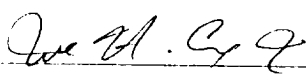
Date First New Oil Run To Tank	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

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.



Signature

Printed Name

Joe H. Cox, Jr. - Vice President

Date

(303) 298-2333

OIL CONSERVATION DIVISION

Date Approved NOV 08 1993

By ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

Title

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.

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