Submit 5 Copies Appropriate District Office DISTRICT 1 State of New Mexico Form C-104 Energy, Minerals and Natural Resources Department Revised 1-1-89 P.O. Box 1980, Hobbs, NM 88240 See Instruction at Bottom of Page OIL CONSERVATION DIVISION DISTRICT II P.O. Drawer DD, Artesia, NM 88210 P.O. Box 2088 Santa Fe, New Mexico 87504-2088 DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 REQUEST FOR ALLOWABLE AND AUTHORIZATION I. TO TRANSPORT OIL AND NATURAL GAS Operator Well API No. SAGE ENERGY COMPANY 2-125-27201 Address P. O. Drawer 3068, Midland, Texas 79702 Reason(s) for Filing (Check proper box) X Other (Please explain) New Well Change in Transporter of: Change of lease name & number due to unitization Recompletion Oil Dry Gas Order #R-9358 & R-9359 Change in Operator Casinghead Cas Condensate \Box Old Lease Name: Marathon State #3 If change of operator give name and address of previous operator **II. DESCRIPTION OF WELL AND LEASE** Lease Name Well No. Pool Name, Including Formation NVANU "14" Kind of Lease State, Federal or Fee Lease No. 3 B-2244 North Vacuum ABO Location Unit Letter Line Section 12 Township 17-S Range 34-E , NMPM, Lea County III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS Name of Authorized Transporter of Oil Address (Give address to which approved copy of this form is to be sent) or Condensate XXMobil Pipeline Company Box 633, Midland, Tx 79702 Р 0. Name of Authonized Transporter of Casinghead Gas Address (Give address to which approved copy of this form is to be sent) Phillips Petroleum Company |Twp. | If well produces oil or liquids, Unit Rge. | Is gas actually connected? Sec. When? give location of tanks. <u>|17-5|34-E</u> D 2 Yes If this production is commingled with that from any other lease or pool, give commingling order number: IV. COMPLETION DATA O.I Well Gas Well New Well Workover Deepen Plug Back Same Res'v Designate Type of Completion - (X) Diff Res'v Date Soudded Total Depth Date Compi. Ready to Prod. P.B.T.D. Elevations (DF, RKB, RT, GR, etc.) Name of Producing Formation Top Oil/Gas Pay Tubing Depth Perforations Depth Casing Shoe TUBING, CASING AND CEMENTING RECORD HOLE SIZE CASING & TUBING SIZE DEPTH SET SACKS CEMENT 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.) Leagth 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 Bbis. Condensate/MMCF Gravity of Condensate Testing Method (puot, back pr.) Tubing Pressure (Shut-in) Casing Pressure (Shut-in) Choke Size VI. OPERATOR CERTIFICATE OF COMPLIANCE OIL CONSERVATION DIVISION I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above Date Approved is true and complete to the best of my mowledge and belief. Dell D Signature By_ Billie Baker Production Cler Printed Name Title May 20, 1991 Title_ (915) 683-5271 Date Telephone No. 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 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.