

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 Merit Energy Company		Well API No. 30-025-25326
Address 12221 Merit Drive, Suite 500, Dallas, Texas 75251		
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 type="checkbox"/> Dry Gas <input type="checkbox"/>	
Change in Operator <input checked="" type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>	
If change of operator give name and address of previous operator SOUTHERN UNION EXPLORATION COMPANY, 504 Lavaca, Suite 960, Austin, Texas 787		

II. DESCRIPTION OF WELL AND LEASE

Lease Name Gallagher "8" State	Well No. 3	Pool Name, Including Formation North Vacuum Abo	Kind of Lease (State, Federal or Fee)	Lease No. E1085
Location Unit Letter 0 : 660 Feet From The South Line and 1980 Feet From The East Line Section 8 Township 17S Range 34E, NMMPM, 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"/> Scurlock Permian	Address (Give address to which approved copy of this form is to be sent) P.O. Box 4648, Houston, Texas 77210					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> GPM Gas Corp	Address (Give address to which approved copy of this form is to be sent) Odessa, Texas 79760					
If well produces oil or liquids, give location of tanks.	Unit 0	Sec. 8	Twp. 17S	Rge. 34E	Is gas actually connected? Yes	When? 5-12-86

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
Date Spudded	Date Compl. Ready to Prod.		Total Depth			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.)	
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 Donald Spence Vice President
Printed Name Donald Spence Title
Date April 1, 1993 Telephone No. 214-701-8377

OIL CONSERVATION DIVISION

Date Approved APR 06 1993
Orig. Signed by Paul Kautz
By Geologist
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.

RECEIVED

RECEIVED
APR 05 1993
OCD HOBBS OFFICE