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 Depa. ent

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

I.

Operator	Well API No.
Paloma Resources Inc.	30-025-~~22471~~ 25471

Address: P. Box 1814 Roswell, NM 88201

Reason(s) for Filing *(Check proper box)*

- New Well [ ]
- Recompletion [X]
- Change in Operator [ ]
- Change in Transporter of: Oil [ ] Dry Gas [ ] Casinghead Gas [ ] Condensate [ ]
- Other *(Please explain)* [ ] — Cancel Querecho Plains upper B. I allow.

If change of operator give name and address of previous operator _____

THIS WELL HAS BEEN PLACED IN THE POOL DESIGNATED BELOW. IF YOU DO NOT CONCUR NOTIFY THIS OFFICE.

II. DESCRIPTION OF WELL AND LEASE

Querecho Plains

Lease Name	Well No.	Pool Name, Including Formation	Kind of Lease	Lease No.
Gulf-McKay Federal	#1	~~WC~~ Delaware R-9843 3/1/93	State (Federal) or Fee	NM-67988

Location

Unit Letter N : 1980 Feet From The FWL Line and 660 Feet From The FSL Line

Section 34 Township 18s Range 32e , NMPM, Lea County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil or Condensate	Address *(Give address to which approved copy of this form is to be sent)*
Pride Pipeline Co. [XX]	P.O. Box 2436 Abilene, Tx. 79604
Name of Authorized Transporter of Casinghead Gas or Dry Gas	Address *(Give address to which approved copy of this form is to be sent)*
GPM Gas Corp. [XX]	1625 West Marland Hobbs, NM 88240

If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected?	When ?
	N	34	18	32	yes	9/25/92

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	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.
	9/25/92	10086	8415
Elevations *(DF, RKB, RT, GR, etc.)*	**Name of Producing Formation**	**Top Oil/Gas Pay**	**Tubing Depth**
3715 KB	Delaware	6882	6950
Perforations			**Depth Casing Shoe**
6882,6885(2 spf holes) 6893-6905 (1 spf 13 holes)			10086

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.)*	
9/25/92	9/30/92	pumping	
Length of Test	**Tubing Pressure**	**Casing Pressure**	**Choke Size**
24 hours	-	35	
Actual Prod. During Test	**Oil - Bbls.**	**Water - Bbls.**	**Gas- MCF**
233	109	124	78

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method *(pitot, 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.

William R. Hansen

Signature

William R. Hansen — Printed Name

Agent — Title

10/01/92 — Date

622-4772 — Telephone No.

OIL CONSERVATION DIVISION

Date Approved OCT 05 '92

By Orig. Signed by. Paul Kautz 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.