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State of New Mexico
Energy, Minerals and Natural Resources Department

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

OIL CONSERVATION DIVISION

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

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Operator Hanley Petroleum Inc.		Well API No. 30 025 31115
Address 415 W. Wall, Suite 1500, Midland, Texas 79701		
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)		
New Well <input checked="" type="checkbox"/>	Change in Transporter of:	
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>	
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>	
If change of operator give name and address of previous operator		

II. DESCRIPTION OF WELL AND LEASE

Lease Name Hanley 24 Federal	Well No. 1	Pool Name, Including Formation Upper Querecho Plains- Bone Spring	Kind of Lease State, Federal or Fee	Lease No. NM 64598
Location Unit Letter L : 2310 Feet From The South Line and 330 Feet From The West Line Section 24 Township 18S Range 32E, 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"/> Permian SCURLOCK PERMIAN CORP EFF 9-1-91	Address (Give address to which approved copy of this form is to be sent) P.O. Box 1183, Houston, Texas 77251					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Phillips 66 Natural Gas Co GPM Gas Corporation	Address (Give address to which approved copy of this form is to be sent) EFFECTIVE: February 1, 1992 4001 Penbrook, Odessa, Texas 79761					
If well produces oil or liquids, give location of tanks.	Unit L	Sec. 24	Twp. 18S	Rge. 32E	Is gas actually connected? Yes	When? 3-6-91

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 X	Gas Well	New Well X	Workover	Deepen	Plug Back	Same Res'v	Dif Res'v
Date Spudded 12-29-90	Date Compl. Ready to Prod. 2-5-91		Total Depth 8700		P.B.T.D. 8654			
Elevations (DF, RKB, RT, GR, etc.) 3781	Name of Producing Formation Upper Bone Spring		Top Oil/Gas Pay 8370		Tubing Depth 7685			
Perforations 8492, 8494, 8520, 8522, 8527, 8539, 8541, 8543, 8545, 8561, 8563					Depth Casing Shoe 8700			
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
17-1/2	13-3/8		410		400 circulated			
11	8-5/8		3015		1125 circulated			
7-7/8	4-1/2		8700		950 - 980			

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)

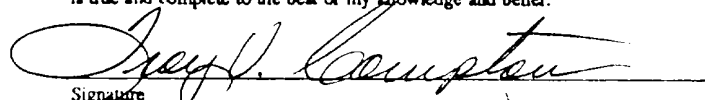
Date First New Oil Run To Tank 2-10-91	Date of Test 3-11-91	Producing Method (Flow, pump, gas lift, etc.) Pump 2" x 1 1/2" x 20' insert	
Length of Test 24 hrs	Tubing Pressure	Casing Pressure 30	Choke Size 1"
Actual Prod. During Test	Oil - Bbls. 18	Water - Bbls. 31	Gas- MCF 22

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (prior, 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
Troy V. Compton - V.P. Prod.
Printed Name
Apr. 16, 1991 (915) 684-8051
Date
Telephone No.

OIL CONSERVATION DIVISION

Date Approved APR 16 1991
By _____
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.

WELL NAME AND NUMBER Hanley Federal 24 #1

LOCATION Section 24, T18S, R-32E Lea County, New Mexico 2310/4 & 330/4
(New Mexico give U.S.T.&R. - Texas give S, BLK, SURV. and TWP)

OPERATOR Hanley Petroleum - 1500 Wilco Building - Midland, Texas 79701

DRILLING CONTRACTOR ZIADRIL, Inc. - P.O. Box 1860 - Hobbs, New Mexico 88241-1860

The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above-described well and that he has conducted deviation tests and obtained the following results:

Degrees and Depth	Degrees and Depth	Degrees and Depth	Degrees and Depth
1/4 276	1-3/4 4217	2-1/4 7804	
1/2 400	3/4 4525	3 7896	
1/2 910	1-1/4 4835	3 7990	
3-3/4 1408	3/4 5133	2-3/4 8083	
3/4 1907	1/4 5454	2 8337	
1-1/4 2402	1/2 5764	2 8461	
2-1/2 2678	1/4 6074	2 8700	
1-3/4 2873	1/4 6356		
3/4 3015	1 6680		
3/4 3319	3/4 6846		
1-1/4 3630	3/4 7155		
1-1/4 3909	3/4 7493		

Drilling Contractor ZIADRIL, Inc.

By Wiley Gilmore
Wiley Gilmore - Marketing Manager

Subscribed and sworn to before me this 21st day of January 1991

My Commission expires:

Julie M. Hopper
Notary Public - Julie M. Hopper
Lea County, New Mexico

