

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

NO. OF DEEPENED OBSERVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
OPERATOR	
PRODUCTION OFFICE	

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-104
Revised 10-01-78
Format 06-01-83
Page 1

REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Operator Yates Energy Corporation	
Address Sunwest Centre, Suite 1010, Roswell, New Mexico 88201	
Reason(s) for filing (Check proper box)	Other (Please explain)
<input type="checkbox"/> New Well	Change of Operator
<input type="checkbox"/> Recompletion	
<input checked="" type="checkbox"/> Change in Ownership	
Change in Transporter of: <input type="checkbox"/> Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> Casinghead Gas <input type="checkbox"/> Condensate	

If change of ownership give name and address of previous owner and operator
Fred G. Yates, Inc., Sunwest Centre, Suite 1010, Roswell, New Mexico 88201

Lease Name Reddy Gulf State	Well No. 1	Pool Name, including Formation Quail Queen	Kind of Lease State, Federal or Fee State	Lease No. IG 2417
Location Unit Letter D : 660 Feet From The North Line and 660 Feet From The West Line of Section 18 Township 19 South Range 35 East , NMPM, Lea County				

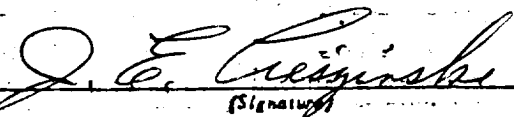
III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS TEMPORARILY ABANDONED.				
Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>		Address (Give address to which approved copy of this form is to be sent)		
Koch Oil Company		P. O. Box 1558, Breckenridge, TX 76024		
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)		
Warren Petroleum Company		P. O. Box 1150, Midland, TX 79702		
If well produces oil or liquids, give location of tanks.	Unit D	Sec. 18	Twp. 19S	Rge. 35E
			Is gas actually connected? no	When N.A.

If this production is commingled with that from any other lease or pool, give commingling order number: _____

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. 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 is true and complete to the best of my knowledge and belief.


J. E. Cieszinski Accountant
(Title)
March 6, 1987
(Date)

OIL CONSERVATION DIVISION
APPROVED **MAR 13 1987**, 19_____
BY **ORIGINAL SIGNED BY JERRY SEXTON**
TITLE **DISTRICT 1 SUPERVISOR**

This form is to be filed in compliance with RULE 1104.
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.
All sections of this form must be filled out completely for allowable on new and recompleted wells.
Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter or other such change of condition.
Separate Forms C-104 must be filed for each pool in multiply completed wells.

RECEIVED
MAR 12 1987
OCD
HOBBS OFFICE