

|                   |     |
|-------------------|-----|
| COPIES RECEIVED   |     |
| PRODUCTION        |     |
| FILE              |     |
| U.S.G.S.          |     |
| LAND OFFICE       |     |
| TRANSPORTER       | OIL |
|                   | GAS |
| OPERATOR          |     |
| PRODUCTION OFFICE |     |

NEW MEXICO OIL CONSERVATION COMMISSION  
REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104  
Supersedes Old C-104 and C-110  
Effective 1-1-65

|  |   |
|--|---|
| Operator<br><u>Read &amp; Stevens, Inc.</u>        |   |
| Address<br><u>P.O. Box 2126, Roswell, NM 88201</u> |   |
| Reason(s) for filing (Check proper box)            | 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 Ownership <input type="checkbox"/>       | Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/> |

If change of ownership give name  
and address of previous owner

|                                   |   |  |
|-----------------------------------|---|--|
| DESCRIPTION OF WELL AND LEASE     |   | Lease No.  |
| Lease Name<br><u>Scharb Com</u>   | Well No.<br><u>1</u>  | Pool Name, including Formation<br><u>Scharb Bone Springs</u> |
| Kind of Lease<br><u>Fixed Fee</u> |   |  |
| Location                          |   |  |
| Unit Letter<br><u>J</u>           | <u>1980</u> Feet From The <u>South</u> Line and <u>1980</u> Feet From The <u>East</u> |  |
| Line of Section<br><u>7</u>       | Township<br><u>19S</u>  | Range<br><u>35E</u>  |
| NMPM,                             |   | Lea County   |

|  |                  |  |                    |
|--|------------------|--|--------------------|
| DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS  |                  | Address (Give address to which approved copy of this form is to be sent) |                    |
| Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> |                  | <u>P.O. Box 66, Liberal, Kansas 67901</u>                                |                    |
| <u>UPG, Inc.</u>   |                  |  |                    |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>    |                  | Address (Give address to which approved copy of this form is to be sent) |                    |
| <u>Warren Petroleum Corporation</u>  |                  | <u>P.O. Box 1589, Tulsa, Oklahoma</u>                                    |                    |
| If well produces oil or liquids,<br>give location of tanks.  | Unit<br><u>I</u> | Effective <u>1-1-93</u>  | Page<br><u>35E</u> |
|  | <u>7</u>         | <u>19S</u>   | <u>35E</u>         |
|  |                  | Is gas actually connected?   | When               |
|  |                  | <u>yes</u>   | <u>3/30/78</u>     |

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

|   |   |                                     |          |                                   |          |        |           |             |              |
|---|---|-------------------------------------|----------|-----------------------------------|----------|--------|-----------|-------------|--------------|
| COMPLETION DATA   |   | Oil Well                            | Gas Well | New Well                          | Workover | Deepen | Plug Back | Same Res'v. | Diff. Res'v. |
| Designate Type of Completion - (X)                                |   | <u>X</u>                            |          | <u>X</u>                          |          |        |           |             |              |
| Date Spudded<br><u>1/20/78</u>                                    | Date Compl. Ready to Prod.<br><u>4/5/78</u>       | Total Depth<br><u>10,223'</u>       |          | P.B.T.D.                          |          |        |           |             |              |
| Elevations (DF, RKB, RT, GR, etc.)<br><u>8866.2' GR-3879' RKB</u> | Name of Producing Formation<br><u>Bone Spring</u> | Top Oil/Gas Pay<br><u>10,138'</u>   |          | Tubing Depth<br><u>10,148.63'</u> |          |        |           |             |              |
| Perforations<br><u>10,138-162'</u>                                |   | Depth Casing Shoe<br><u>10,223'</u> |          |                                   |          |        |           |             |              |
| TUBING, CASING, AND CEMENTING RECORD                              |   |                                     |          |                                   |          |        |           |             |              |
| HOLE SIZE   | CASING & TUBING SIZE                              | DEPTH SET                           |          | SACKS CEMENT                      |          |        |           |             |              |
| <u>17 1/2"</u>  | <u>12 3/4"</u>                                    | <u>371'</u>                         |          | <u>400 sx.</u>                    |          |        |           |             |              |
| <u>11"</u>  | <u>8 5/8"</u>                                     | <u>4,000'</u>                       |          | <u>950 sx.</u>                    |          |        |           |             |              |
| <u>7 7/8"</u>   | <u>4 1/2"</u>                                     | <u>10,223'</u>                      |          | <u>200 sx.</u>                    |          |        |           |             |              |

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 Tanks<br><u>3/30/78</u> | Date of Test<br><u>4/5/78</u> | Producing Method (Flow, pump, gas lift, etc.)<br><u>Pumping</u> |                        |
| Length of Test<br><u>24 hrs.</u>                  | Tubing Pressure<br><u>-</u>   | Casing Pressure<br><u>-</u>                                     | Choke Size<br><u>-</u> |
| Actual Prod. During Test<br><u>100 BO</u>         | Oil - Bbls.<br><u>100</u>     | Water - Bbls.<br><u>None</u>                                    | Gas - MCF<br><u>50</u> |

|                                  |                           |                           |                       |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| GAS WELL                         |                           | Bbls. Condensate/MMCF     | Gravity of Condensate |
| Actual Prod. Test-MCF/D          | Length of Test            |                           |                       |
| Testing Method (pilot, back pr.) | Tubing Pressure (shut-in) | Casing Pressure (shut-in) | Choke Size            |

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

[Signature]  
(Signature)

Production Clerk  
(Title)

April 4, 1978  
(Date)

OIL CONSERVATION COMMISSION

APPROVED APR 10 1978, 19  
BY [Signature]  
TITLE SUPERVISOR DISTRICT 4

This form is to be filed in compliance with RULE 1104.  
If this is a request for allowable for a newly drilled or deeper well, this form must be accompanied by a tabulation of the deviat tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for all able on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owr well name or number, or transporter, or other such change of condit