

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

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| FILE                   |     |
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| 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

I. Operator  
Yates Energy Corporation

Address  
Sunwest Centre, Suite 1010, Roswell, New Mexico 88201

Reason(s) for filing (Check proper box)

|   |   |  |
|---|---|--|
| <input type="checkbox"/> New Well                       | Change in Transporter of:               | Other (Please explain)<br><br>Change of Operator |
| <input type="checkbox"/> Recompletion                   | <input type="checkbox"/> Oil            |  |
| <input checked="" type="checkbox"/> Change in Ownership | <input type="checkbox"/> Casinghead Gas |  |
|   | <input type="checkbox"/> Dry 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

II. DESCRIPTION OF WELL AND LEASE

|   |               |  |  |                      |
|---|---------------|--|--|----------------------|
| Lease Name<br>Reddy Gulf State  | Well No.<br>3 | Pool Name, including Formation<br>Ouail Grayburg | Kind of Lease<br>State, Federal or Fee State | Lease No.<br>LG 2417 |
| Location<br>Unit Letter E : 1650 Feet From The North Line and 330 Feet From The West<br>Line of Section 18 Township 19 South Range 35 East , NMPM, Lea County |               |  |  |                      |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

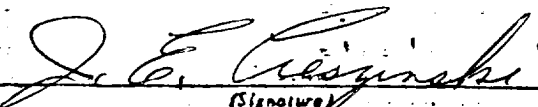
|  |  |
|--|--|
| Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/><br>Koch Oil Company                 | Address (Give address to which approved copy of this form is to be sent)<br>P. O. Box 1558, Breckenridge, TX 76024 |
| Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/><br>Warren Petroleum Company | Address (Give address to which approved copy of this form is to be sent)<br>P. O. Box 1150, Midland, Texas 79702   |
| If well produces oil or liquids, give location of tanks.<br>Unit C Sec. 18 Twp. 19S Rge. 35E   | Is gas actually connected? When<br>no Insufficient to Market   |

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.

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

OIL CONSERVATION DIVISION

APPROVED MAR 13 1987, 19  
BY ORIGINAL SIGNED BY JERRY SEXTON  
DISTRICT I SUPERVISOR  
TITLE \_\_\_\_\_

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.