

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-106  
Revised 4-1-91

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

2040 Pacheco St.  
Santa Fe, NM 87505

DISTRICT III  
1000 Rio Brazos Rd, Aztec, NM 87410

ACT Permit No.

I-879

NOTICE OF INTENTION TO UTILIZE AUTOMATIC CUSTODY TRANSFER EQUIPMENT

Operator Bristol Resources Corporation

Address 6655 S. Lewis, Suite 200 County Lea

Lease(s) to be served by this ACT Unit Royal Coachman #1

Pool(s) to be served by this ACT Unit Monument ABO

Location of ACT System: Unit I Section 27 Township 19S Range 36E

Order No. authorizing commingling between leases if more than one lease is to be served by this system.

Date \_\_\_\_\_  
Order No. authorizing commingling between pools if more than one pool is to be served by this system

Date \_\_\_\_\_  
Authorized transporter of oil from this system Texas-New Mexico Pipeline Co.

Transporter's address 9801 Westheimer, Suite 900, Houston, TX 77042

Maximum expected daily through-put for this system: 200 Bbls/day

If system fails to transfer oil due to malfunction or otherwise, waste by overflow will be averted by:

CHECK ONE: A. ☐ Automatic shut-down facilities as required by Section (3) h-1 of "RULE 309-A" B. ☒ Alternative (3) h-2, providing adequate available capacity to receive production during maximum unattended time of lease operation

If "A" above is checked, will flowing wells be shut-in at the header manifold or at the wellhead?

Maximum well-head shut-in pressure \_\_\_\_\_

If "B" above is checked, how much storage capacity is available above the normal high working level of the

surge tank 1000 BBLs.

What is the normal maximum unattended time of lease operation? 24 Hours.

What device will be used for measuring oil in this ACT unit?

CHECK ONE: ☒ Positive displacement meter ☐ Weir-type measuring vessel  
☐ Positive volume metering chamber ☐ Other, describe \_\_\_\_\_

Remarks: \_\_\_\_\_

OPERATOR:

I hereby certify above information is true and complete to best of my knowledge and subject ACT system will be installed and operated in accordance with Rule 309-A. Approval of this Form C-106 does not eliminate necessity of an approved C-104 prior to turning any oil or gas from this system.

Signature Katherine E Henshaw

Printed Name & Title Katherine Henshaw, Prod. Analyst

Date 4/23/98 Telephone 918-523-3069

OIL CONSERVATION DIVISION

ORIGINAL SIGNED BY CHRIS WILLIAMS  
DISTRICT I SUPERVISOR

Approved by: \_\_\_\_\_

Title: \_\_\_\_\_

Date: MAY 08 1998

INSTRUCTIONS: Submit 4 copies of Form C-106 with following attachments to appropriate district office. See Rule 309-A.

- 1) Lease plat showing all wells which will be produced in ACT system.
- 2) Schematic diagram of battery and ACT equipment showing all major components and means employed to prove accuracy of measuring device.
- 3) Letter from transporter agreeing to utilization of ACT system as shown on schematic diagram.