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Appropriate District Office  
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1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico  
Energy, Minerals and Natural Resources Department

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

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

TIGHT HOLE  
CONFIDENTIAL

REQUEST FOR ALLOWABLE AND AUTHORIZATION  
TO TRANSPORT OIL AND NATURAL GAS

|   |  |
|---|--|
| Operator<br>Strata Production Company   | Well API No.<br>30-025-31849 ✓   |
| Address<br>P. O. Box 1030, Roswell, New Mexico 88202-1030                               |  |
| 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 checked="" type="checkbox"/> Dry Gas <input type="checkbox"/>               |
| Change in Operator <input type="checkbox"/>   | Casinghead Gas <input checked="" 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<br>Cercion Federal  | Well No.<br>#5 | Pool Name, Including Formation<br>Livingston Ridge Delaware | East<br>Kind of Lease<br><del>State</del> Federal <input checked="" type="checkbox"/> <del>XXX</del> | Lease No.<br>NM-77058 |
| Location<br>Unit Letter <u>A</u> : <u>330</u> Feet From The <u>North</u> Line and <u>330</u> Feet From The <u>East</u> Line<br>Section <u>21</u> Township <u>22 South</u> Range <u>32 East</u> , NMPM, <u>Lea</u> 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>Petro Source Partners, Ltd. | Address (Give address to which approved copy of this form is to be sent)<br>9801 Westheimer, Suite 900, Houston, TX 77042   |            |             |             |                                   |                  |
| Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/><br>GPM Gas Corporation | Address (Give address to which approved copy of this form is to be sent)<br>1040 Plaza Office Bldg., Bartlesville, OK 74004 |            |             |             |                                   |                  |
| If well produces oil or liquids,<br>give location of tanks.   | Unit<br>H   | Sec.<br>21 | Twp.<br>22S | Rge.<br>32E | Is gas actually connected?<br>Yes | When?<br>3/20/93 |

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<br>X                           | Gas Well | New Well<br>X                  | Workover | Deepen                       | Plug Back | Same Res'v | Diff Res'v |
| Date Spudded<br>2/2/93                                | Date Compl. Ready to Prod.<br>3/11/93   |          | Total Depth<br>8770'           |          | P.B.T.D.<br>8735'            |           |            |            |
| Elevations (DF, RKB, RT, GR, etc.)<br>3695' GR        | Name of Producing Formation<br>Delaware |          | Top Oil/Gas Pay<br>7140'-7152' |          | Tubing Depth<br>7650'        |           |            |            |
| Perforations<br>7446'-7374'; 7264'-7272'; 7140'-7152' |   |          |                                |          | Depth Casing Shoe<br>8735'   |           |            |            |
| TUBING, CASING AND CEMENTING RECORD                   |   |          |                                |          |                              |           |            |            |
| HOLE SIZE   | CASING & TUBING SIZE                    |          | DEPTH SET                      |          | SACKS CEMENT                 |           |            |            |
| 17 1/2"   | 13 3/8"                                 |          | 605'                           |          | 350 HL; 200 Class "C"        |           |            |            |
| 12 1/4"   | 8 5/8"                                  |          | 4465'                          |          | 900 HL; 800 Class "C"        |           |            |            |
| 7 7/8"  | 5 1/2"                                  |          | 8770'                          |          | 660 50/50 Poz; 475 Class "C" |           |            |            |
|   | 2 7/8"                                  |          | 7650'                          |          | "C" Neat                     |           |            |            |

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<br>3/20/93 | Date of Test<br>3/20/93 | Producing Method (Flow, pump, gas lift, etc.)<br>Pumping |                   |
| Length of Test<br>24 hours                | Tubing Pressure<br>-0-  | Casing Pressure<br>25#                                   | Choke Size<br>-0- |
| Actual Prod. During Test<br>180           | Oil - Bbls.<br>44       | Water - Bbls.<br>136                                     | Gas- MCF<br>29    |

GAS WELL

|                                  |                           |                           |                       |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| Actual Prod. Test - MCF/D        | Length of Test            | Bbls. Condensate/MMCF     | Gravity of Condensate |
| Testing Method (pilot, 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 Carol J. Garcia  
Carol J. Garcia, Production Supervisor  
Printed Name  
Date 4/8/93 Title  
Telephone No. 505-622-1127

OIL CONSERVATION DIVISION

Date Approved APR 13 1993

By ORIGINAL SIGNED BY JERRY SEXTON  
DISTRICT I SUPERVISOR

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.