

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

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

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

| | | |
|---|--|--------------|
| Operator Hadson Petroleum (USA) Inc. | | Well API No. |
| Address 921 W. Sanger Hobbs, NM 88240 | | |
| Reason(s) for Filing (Check proper box) New Well <input type="checkbox"/> <input checked="" type="checkbox"/> Other (Please explain) Recompletion <input type="checkbox"/> Change in Transporter of: Change in Operator <input type="checkbox"/> Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/> Additional Transporter of Condensate Casinghead Gas <input 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 Llano 34 St. Com. | Well No. #1 | Pool Name, Including Formation Grama Ridge Morrow, East | Kind of Lease <input checked="" type="checkbox"/> State <input type="checkbox"/> Federal or Fee | Lease No. E-9659 K-3592 |
| Location Unit Letter I : 1650 Feet From The SOUTH Line and 660 Feet From The EAST Line Section 34 Township 21S Range 34E, NMPM, Lea County | | | | |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

| | | | | | | |
|---|--|------------|-------------|-------------|-----------------------------------|-------|
| Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input checked="" type="checkbox"/> R & K Oil Company, Inc. | Address (Give address to which approved copy of this form is to be sent) P.O. Box 1229--Andrews, TX 79714 | | | | | |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> Llano, Inc. | Address (Give address to which approved copy of this form is to be sent) 921 W. Sanger--Hobbs, NM 88240 | | | | | |
| If well produces oil or liquids, give location of tanks. | Unit I | Sec. 34 | Twp. 21S | Rge. 34E | Is gas actually connected? Yes | When? |

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 | Gas Well | New Well | Workover | Deepen | Plug Back | Same Res'v | Diff Res'v |
| Date Spudded | Date Compl. Ready to Prod. | | Total Depth | | P.B.T.D. | | | |
| Elevations (DF, RKB, RT, GR, etc.) | Name of Producing Formation | | Top Oil/Gas Pay | | Tubing Depth | | | |
| Perforations | | | | | Depth Casing Shoe | | | |
| TUBING, CASING AND CEMENTING RECORD | | | | | | | | |
| HOLE SIZE | CASING & TUBING SIZE | | DEPTH SET | | SACKS CEMENT | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of lead oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

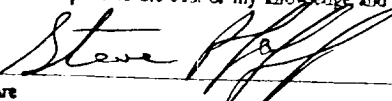
| | | | |
|--------------------------------|-----------------|---|------------|
| Date First New Oil Run To Tank | Date of Test | Producing Method (Flow, pump, gas lift, etc.) | |
| Length of Test | Tubing Pressure | Casing Pressure | Choke Size |
| Actual Prod. During Test | Oil - Bbls. | Water - Bbls. | Gas - MCF |

GAS WELL

| | | | |
|----------------------------------|---------------------------|---------------------------|-----------------------|
| Actual Prod. Test - MCF/D | Length of Test | Bbls. Condensate/MMCF | Gravity of Condensate |
| Testing Method (prior, 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 
Steve Pfaff Supervisor- Contract Admin
Printed Name
Date 4/23/91 (505) 393-2153 Title
Telephone No.

OIL CONSERVATION DIVISION

APR 24 1991

Date Approved
By Orig. Signed by
Paul Kautz
Geologist
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) Sep-rate Form C-104 must be filed for each pool in multiply completed wells.