

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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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
Terra Resources, Inc.

Address
10 Desta Drive, Suite 500 West, Midland, Tx. 79705

Reason(s) for filing (Check proper box)

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

If change of ownership give name and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

Lease Name State 23 Comm	Well No. 2	Pool Name, Including Formation Antelope Ridge -- Morrow	Kind of Lease State, Federal or Fee State	Lease No. LG1208
Location Unit Letter F : 1980 Feet From The North Line and 1980 Feet From The West				
Line of Section 23 Township 23S Range 34E NMPM, Lea County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

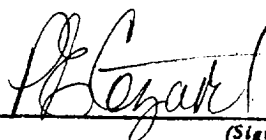
Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input checked="" type="checkbox"/> Koch Oil Co./Div of Koch Industries	Address (Give address to which approved copy of this form is to be sent) PO Box 1558, Breckenridge, TX 76024	
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> Gas Co. of New Mexico	Address (Give address to which approved copy of this form is to be sent) PO Box 1419, Carlsbad, NM 88220-1419	
If well produces oil or liquids, give location of tanks.	Unit F	Sec. 23
	Twp. 23S	Rge. 34E
	Is gas actually connected? When yes August 1988	

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)

District Accountant

8-25-88

(Title)

(Date)

OIL CONSERVATION DIVISION

APPROVED SEP 2 '88, 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.

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