

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-104  
Revised 10-01-78  
Format 08-01-83  
Page 1

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| SANTA FE               |     |
| FILE                   |     |
| U.S.G.S.               |     |
| LAND OFFICE            |     |
| TRANSPORTER            | OIL |
|                        | GAS |
| OPERATOR               |     |
| PRODUCTION OFFICE      |     |

REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I. Operator  
Discovery Operating, Inc.

Address  
800 North Marienfeld, Suite 100, Midland, Texas 79701

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   | Transporter of Oil was sent in under separate cover. This lists transporter of Natural Gas. |
| <input 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 \_\_\_\_\_

II. DESCRIPTION OF WELL AND LEASE

|   |               |   |  |                           |
|---|---------------|---|--|---------------------------|
| Lessee Name<br>Union "B" Federal  | Well No.<br>1 | Pool Name, including Formation<br>Jennings Delaware | Kind of Lease<br>State, Federal or Fee Federal | Lease No.<br>NM-0392082-A |
| Location<br>Unit Letter <u>C</u> : <u>330</u> Feet From The <u>North</u> Line and <u>1980</u> Feet From The <u>West</u> |               |   |  |                           |
| Line of Section <u>4</u> Township <u>26S</u> Range <u>32E</u> NMPM, <u>Lea</u> County                                   |               |   |  |                           |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

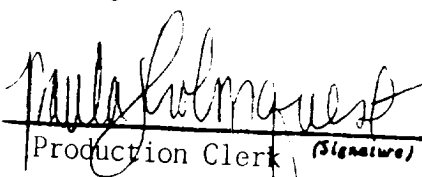
|  |  |
|--|--|
| Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/><br>Pride Pipeline Company             | Address (Give address to which approved copy of this form is to be sent)<br>P. O. Box 2436, Abilene, Texas 79604 |
| Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/><br>Phillips Petroleum Company | Address (Give address to which approved copy of this form is to be sent)<br>4001 Penbrook, Odessa, TX 79760      |
| If well produces oil or liquids, give location of tanks.<br>Unit <u>C</u> Sec. <u>4</u> Twp. <u>26S</u> Rge. <u>32E</u>                                | Is gas actually connected? <u>yes</u> When <u>March, 1988</u>  |

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.

  
Paula Holmquest  
Production Clerk (Signature)  
7/18/88 (Date)

OIL CONSERVATION DIVISION

APPROVED \_\_\_\_\_, 19\_\_\_\_  
BY \_\_\_\_\_  
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.