

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 06-01-83
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U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
OPERATOR	
PROBATION 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 checked="" type="checkbox"/> New Well	Change in Transporter of:	Other (Please explain)
<input type="checkbox"/> Recompletion	<input type="checkbox"/> Oil	Approval to flare casinghead gas from this well must be obtained from the BUREAU OF LAND MANAGEMENT (BLM)
<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 — THIS WELL HAS BEEN PLACED IN THE POOL DESIGNATED BELOW. IF YOU DO NOT CONCUR NOTIFY THIS OFFICE.

II. DESCRIPTION OF WELL AND LEASE

Lease Name Union "B" Federal	Well No. 1	Pool Name, including Formation Jennings Delaware Assoc.	Kind of Lease State, Federal or Fee Federal	Lease No. NM-0392082
Location 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"/> Pride Pipeline Company	Address (Give address to which approved copy of this form is to be sent) P.O. Box 2436, Abilene, TX 79604
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
If well produces oil or liquids, give location of tanks.	Unit <u>C</u> Sec. <u>4</u> Twp. <u>26S</u> Rge. <u>32E</u>
Is gas actually connected?	When

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.

John B. Sparks John B. Sparks
(Signature)
Vice President
(Title)
2/17/88
(Date)

OIL CONSERVATION DIVISION

APPROVED FEB 19 1988, 19
BY Paul Kautz
TITLE Geologist

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.

IV. COMPLETION DATA

Designate Type of Completion - (X)		Oil Well X	Gas Well	New Well X	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
Date Spudded 11-21-87	Date Compl. Ready to Prod. 12-31-87		Total Depth 4578'		P.B.T.D. 4577'				
Elevations (DF, RKB, RT, GR, etc.) 3314' RKB	Name of Producing Formation Jennings (Delaware)		Top Oil/Gas Pay 4564'		Tubing Depth 4563'				
Perforations 4564 - 4577							Depth Casing Shoe 4575'		
TUBING, CASING, AND CEMENTING RECORD									
HOLE SIZE		CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
12 1/4"		8 5/8" 23 & 24#		915'		200 sx Lite & 300 sx C			
7 7/8"		4 1/2" 10.50#		4575'		210 sx H 50/50 POZ			
		2 3/8" Tbg. 4.7#		4563'					

V. TEST DATA AND REQUEST FOR ALLOWABLE (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 Tanks 1-4-88	Date of Test 1-11-88	Producing Method (Flow, pump, gas lift, etc.) Pump	
Length of Test 24 hours	Tubing Pressure 20 psi	Casing Pressure 20 psi	Choke Size None
Actual Prod. During Test 80	Oil - Bbls. 10	Water - Bbls. 70	Gas - MCF 17

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