

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

OIL CONSERVATION DIVISION

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

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

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Operator Highland Production Company		Well API No. 30-025-30660
Address 810 N. Dixie Blvd., Suite 202, Odessa, Texas 79761		
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 type="checkbox"/>	Dry Gas <input type="checkbox"/>
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/>	Condensate <input type="checkbox"/>

If change of operator give name
and address of previous operator

THIS WELL HAS BEEN PLACED IN THE POOL
DESIGNATED BELOW. IF YOU DO NOT CONCUR
NOTIFY THIS OFFICE.

Lease Name McDonald Federal	Well No. 1	Pool Name, Including Formation East Mason (Delaware)	Kind of Lease State <input checked="" type="checkbox"/> Federal <input type="checkbox"/> or Fee	Lease No. NM 70227
Location Unit Letter <u>J</u> : <u>980</u> Feet From The <u>East</u> Line and <u>2310</u> Feet From The <u>South</u> Line Section <u>21</u> Township <u>26-S</u> Range <u>32-E</u> , NMPM, Lea 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"/> Conoco Inc. Surface Transportation	Address (Give address to which approved copy of this form is to be sent) Drawer 1267, Ponca City, Oklahoma 74601					
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Phillips 66 Natural Gas Company	Address (Give address to which approved copy of this form is to be sent) 4001 Penbrook, Odessa, Texas 79762					
If well produces oil or liquids, give location of tanks.	Unit J	Sec. 21	Twp. 26-S	Rge. 32-E	Is gas actually connected? No	When? Approximately 2/1/90

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 <input checked="" type="checkbox"/>	Gas Well	New Well <input checked="" type="checkbox"/>	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded 9/22/89	Date Compl. Ready to Prod. 11/2/89		Total Depth 4440		P.B.T.D.			
Elevations (DF, RKB, RT, GR, etc.) 3145.45 GR	Name of Producing Formation Delaware Sands		Top Oil/Gas Pay 4415		Tubing Depth 4375.62			
Perforations 4415 - 4440 Open Hole					Depth Casing Shoe 4415			

TUBING, CASING AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
12 1/2	8 5/8	983'	350 Sacks HLP, 200 Sks.
			Prem. + w/2% CaCl
7 7/8	5 1/2	4415'	650 Sacks Hal Lite, 150
			Sks. Prem + & 150 Sks

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 1/10/90	Date of Test 1/12/90	Producing Method (Flow, pump, gas lift, etc.) Pumping	
Length of Test 24 hours	Tubing Pressure NA	Casing Pressure 35#	Choke Size -
Actual Prod. During Test	Oil - Bbls. 4	Water - Bbls. 30	Gas - MCF 20

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
Marvin L. Smith, President
Printed Name
January 15, 1990
Date
915/332-0275
Telephone No.

OIL CONSERVATION DIVISION

Date Approved JAN 18 1990

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.

RECEIVED

JAN 17 1990

COB
HOBBS OFFICE