

District I
1625 N French Dr., Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-126
Revised October 15, 2009

Submit one copy
to appropriate
District Office

PERMIT TO TRANSPORT RECOVERED LOAD OIL

(NOTE Required only when load oil was obtained from source other than lease on which used)
(Sec 19.15.20.15 NMAC)

RECOVERED LOAD OIL

| | | | |
|------------------------------------------|--------------|----------------------------------------------------|--------------------|
| OPERATOR DUGAN PRODUCTION CORP | | ADDRESS P.O. BOX 420, FARMINGTON, NM 87499-0420 | |
| LEASE NAME BONNIE & ED | WELL NO 1 | POOL Meadows Gallup | COUNTY San Juan |
| LOCATION J 04 29N 15W 30-045-25120 | | TRANSPORTER Giant Industries | |

BBLS. LOAD OIL RECOVERED

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| 7 |
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RCVD APR 27 '10
OIL CONS. DIV.

SOURCE OF LOAD OIL

PURCHASED OIL

DIST. 3

| | |
|-------------------|----------------|
| BARRELS PURCHASED | DATE PURCHASED |
| PURCHASED FROM | ADDRESS |

| | |
|-------------------|----------------|
| BARRELS PURCHASED | DATE PURCHASED |
| PURCHASED FROM | ADDRESS |

OIL TRANSFERRED FROM ANOTHER LEASE OR POOL

| | | |
|-------------------------------|---------------------------------------------|------------------------------------------|
| BARRELS TRANSFERRED 7 | POOL FROM WHICH TRANSFERRED Basin Dakota | LEASE FROM WHICH TRANSFERRED LaRose 1 |
| DATE OF TRANSFER 4/10/2002 | | |

| | | |
|---------------------|-----------------------------|------------------------------|
| BARRELS TRANSFERRED | POOL FROM WHICH TRANSFERRED | LEASE FROM WHICH TRANSFERRED |
| DATE OF TRANSFER | | |

| | | |
|---------------------|-----------------------------|------------------------------|
| BARRELS TRANSFERRED | POOL FROM WHICH TRANSFERRED | LEASE FROM WHICH TRANSFERRED |
| DATE OF TRANSFER | | |

| | | |
|-------------------------|------------------------------------------------------------------------------------------------|--------------------------------|
| OPERATOR: | I hereby certify the information above is true and complete to best of my knowledge and belief | OIL CONSERVATION DIVISION |
| Signature | <i>Staci E. Brooks</i> | Approved by: <i>Charles...</i> |
| Printed Name & Title | Staci E. Brooks, Prod Acct Supervisor | Title: SUPERVISOR DISTRICT # 3 |
| E-mail Address | stacibrooks@duganproduction.com | |
| Date | 4/26/10 | Date: APR 27 2010 |
| Telephone No. | (505) 325-1821 | |