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LAND OFFICE		
TRANSPORTER	OIL	
	GAS	
OPERATOR		
PRORATION OFFICE		

NEW MEXICO OIL CONSERVATION COMMISSION  
REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104  
Supersedes Old C-104 and C-110  
Effective 1-1-65

B.K.

Operator Dugan Production Corp.	
Address P O Box 208, Farmington, NM 87401	
Reason(s) for filing (Check proper box)	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 Ownership <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>

If change of ownership give name  
and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

Lease Name Sapp	Well No. #2	Producing Formation Escrito Gallup	Kind of Lease State, Federal or Fee Federal	Lease No. SF 080230
Location Unit Letter D ; 660' Feet From The North Line and 330 Feet From The West Line of Section 5 Township 23N Range 7W , NMPM, Rio Arriba 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"/> Basin, Inc.	Address (Give address to which approved copy of this form is to be sent) P O Box 2297, Midland, TX 79702	
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 D	Sec. 5
	Twp. 23N	Rge. 7W
	Is gas actually connected? When	

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 1-7-81	Date Compl. Ready to Prod. 1-26-81	Total Depth 5727'	P.B.T.D.					
Elevations (DF, RKB, RT, GR, etc.) 7030' GL	Name of Producing Formation Gallup	Top Oil/Gas Pay 5534'	Tubing Depth 5540'					
Perforations 5534, 36, 38, 40, 42, 44, 46, 48, 50, 64, 65, 66, 67, 68, 69, 70, 71	72, 74, 76, 78, 17, 15, 13, 11, 09		Depth Casing Shoe 5727' RKB					
TUBING, CASING, AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
12-1/4"	8-5/8"		199' RKB		135 sx class "B"			
7-7/8"	4-1/2"		5727' RKB		1st stg 297 cf; 2nd, 1489			
	2-3/8"		5540' RKB					

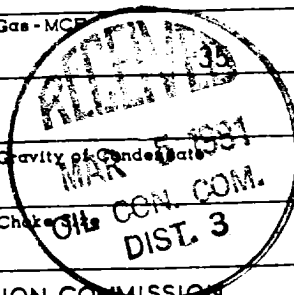
V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL

(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 Tanks 2-18-81	Date of Test 2-20-81	Producing Method (Flow, pump, gas lift, etc.) pumping	
Length of Test 24 hrs	Tubing Pressure 40 psig	Casing Pressure 40 psig	Choke Size
Actual Prod. During Test	Oil - Bbls. 25	Water - Bbls. 0	Gas - MCF

GAS WELL

Actual Prod. Test-MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	Tubing Pressure (shut-in)	Casing Pressure (shut-in)	Choke Size



VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

(Signature) Jim L. Jacobs  
Geologist  
(Title)  
2-18-81  
(Date)

OIL CONSERVATION COMMISSION  
APPROVED   
Original Signed by FRANK T. CHAVEZ  
BY SUPERVISOR DISTRICT #3  
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.