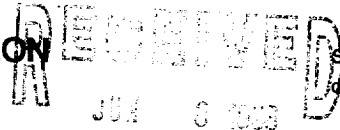


DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O.Box 2083
Santa Fe, New Mexico 87504-2088



Submit 4 copies 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.)
(See Rule 508, 1104, and 1126)

RECOVERED LOAD OIL

Operator DUGAN PRODUCTION CORP.		Address P.O. BOX 420, FARMINGTON, NM 87499-0420	
Lease Name Celsius	Well No. 2	Pool Counselors Gallup Dakota	County Rio Arriba
Location E 14 23N 06W		Transporter Giant Industries	

BBLs LOAD OIL RECOVERED

15

SOURCE OF LOAD OIL

PURCHASED OIL

BARRELS PURCHASED 15	DATE PURCHASED 03/26/98
PURCHASED FROM Giant Refining	ADDRESS P. O. Box 12999, Scottsdale, AZ 85267
BARRELS PURCHASED	DATE PURCHASED
PURCHASED FROM	ADDRESS

OIL TRANSFERRED FROM ANOTHER LEASE OR POOL

BARRELS TRANSFERRED	POOL FROM WHICH TRANSFERRED	LEASE FROM WHICH TRANSFERRED
DATE OF LETTER OF NOTIFICATION OF TRANSFER IN COMPLIANCE WITH RULE 1104 (F)		

BARRELS TRANSFERRED	POOL FROM WHICH TRANSFERRED	LEASE FROM WHICH TRANSFERRED
DATE OF LETTER OF NOTIFICATION OF TRANSFER IN COMPLIANCE WITH RULE 1104 (F)		

BARRELS TRANSFERRED	POOL FROM WHICH TRANSFERRED	LEASE FROM WHICH TRANSFERRED
DATE OF LETTER OF NOTIFICATION OF TRANSFER IN COMPLIANCE WITH RULE 1104 (F)		

OPERATOR: I hereby certify the information above is true and complete to
best of my knowledge and belief

Signature LeAnna Hanhardt
Printed Name LeAnna Hanhardt
& Title Production Accounting Supervisor
Date 6/5/98 Telephone No 505-325-1821

OIL CONSERVATION DIVISION

Approved by: [Signature]
Title: SUPERVISOR DISTRICT #3
Date: JUN 8 1998