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Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

OIL CONSERVATION DIVISION

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

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

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

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

| | | |
|---|---|--------------------------------------|
| Operator DUGAN PRODUCTION CORP. | | Well API No. |
| Address P.O. Box 420, Farmington, NM 87499 | | |
| Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain) | | |
| New Well <input type="checkbox"/> | Change in Transporter of: | |
| Recompletion <input type="checkbox"/> | Oil <input type="checkbox"/> Dry Gas <input checked="" type="checkbox"/> | Change of Ownership Effective 1-1-90 |
| Change in Operator <input checked="" type="checkbox"/> | Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/> | Change of Operator Effective 5-1-90 |
| If change of operator give name and address of previous operator Pitco Production Company, 1790 One Williams Center, Tulsa, OK 74172 | | |

II. DESCRIPTION OF WELL AND LEASE

| | | | | |
|---|----------------------|---|--|-----------------------------|
| Lease Name Federal 31-22-6 | Well No. 1 | Pool Name, including Formation Rusty Chacra | Kind of Lease State <input checked="" type="checkbox"/> Federal <input type="checkbox"/> or Fee | Lease No. NM-7776 |
| Location Unit Letter J : 1470 Feet From The South Line and 1550 Feet From The East Line Section 31 Township 22N Range 6W , NMPM , Sandoval County | | | | |

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

| | | |
|--|--|------|
| Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) | |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) | |
| Dugan Production Corp. | P.O. Box 420, Farmington, NM 87499 | |
| If well produces oil or liquids, give location of tanks. | Unit | Sec. |
| | | |
| | Twsp. | Rge. |
| | | |
| Is gas actually connected? | When ? | |
| Yes | 11-8-82 | |

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 | Gas Well | New Well | Workover | Deepen | Plug Back | Same Res'v | Diff Res'v |
| Date Spudded | Date Compl. Ready to Prod. | | Total Depth | | | P.B.T.D. | | |
| Elevations (DF, RKB, RT, GR, etc.) | Name of Producing Formation | | Top Oil/Gas Pay | | | Tubing Depth | | |
| Perforations | | | | | | Depth Casing Shoe | | |
| TUBING, CASING AND CEMENTING RECORD | | | | | | | | |
| HOLE SIZE | CASING & TUBING SIZE | | DEPTH SET | | | SACKS CEMENT | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

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 | Date of Test | Producing Method (Flow, pump, gas lift, etc.) | |
| Length of Test | Tubing Pressure | Casing Pressure | Choke Size |
| Actual Prod. During Test | Oil - Bbls. | Water - Bbls. | Gas - MCF |

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MAY 31 1990

GAS WELL

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

OIL CON. DIV.
DIST. 3

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 Jim L. Jacobs Geologist
Printed Name Jim L. Jacobs Title
Date 5-31-90 Telephone No. 325-1821

OIL CONSERVATION DIVISION

Date Approved JUN 4 1990
By Barry D. Chang
Title SUPERVISOR DISTRICT #3

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.

Figure 1

Figure 2

Figure 3

Figure 4