STATE OF NEW MEXICO ENERGY MO MINERALS DEPARTMENT Form C-104 Revised 10-01-78 DISTRIBUTION OIL CONSERVATION DIVISION Format 06-01-83 SANTA PE Page 1 FILE P. O. BOX 2088 V.1.0.4. SANTA FE, NEW MEXICO 87501 LAND OFFICE 916 TRANSPORTER REQUEST FOR ALLOWABLE OPERATOR AND PROBATION OFFICE AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS Operator DUGAN PRODUCTION CORP. Address P O Box 208, Farmington, NM 87499 Resson(s) for liling (Check proper box) Other (Please explain) New Well Change in Transporter of: Recompletion Oil Dry Gas Change in Ownership Condensate If change of ownership give name Ladd Petroleum Corp., 830 Denver Club Bldg., Denver, CO 80202 and address of previous owner II. DESCRIPTION OF WELL AND LEASE Lease Name Well No. Pool Name, Including Formation Kind of Lease Legse No. Aztec State, Federal or Fee Federal NM-0206995 3-25 Harper Hill Fruitland PC Location 790 Feet From The North Line and 790 Line of Section Township 30N NMPM. San Juan County III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS Name of Authorized Transporter of Oil or Condensate Address (Give address to which approved copy of this form is to be sent) Name of Authorized Transporter of Casinghead Gas Address (Give address to which approved copy of this form is to be sent) or Dry Gas X El Paso Natural Gas Company (NO CHANGE) Box 4990, Farmington, NM 87499 is gas actually connected? When If well produces oil or liquids, give location of tanks. If this production is commingled with that from any other lease or pool, give commingling order number: NOTE: Complete Parts IV and V on reverse side if necessary. VI. CERTIFICATE OF COMPLIANCE OIL CONSERVATION DIVISION I hereby certify that the rules and regulations of the Oil Conservation Division have APPROVED been complied with and that the information given is true and complete to the best of my knowledge and belief. BY_ SUPERVISOR DISTRICT 3 This form is to be filed in compliance with RULE 1104. If this is a request for allowable for a newly drilled or deepened Jim L. Jacobs (Signature) Geologist

(Tilla)

(Date)

11-11-86

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.