

March 16, 1988

Dugan Production Corp.

Exhibit No. 2

WORKING INTEREST OWNERSHIP
Section 22, Township 26N, Range 2W
Rio Arriba County, New Mexico

Working Interest Owner	Verbal ^③		Executed ^④		Position ^⑤	
	WI in W/2 ^① 320 A Basis	WI in E/2 ^② 320 A Basis	640 A Pooling	640 A Pooling Agreement	Re Drilling W/2	
Dugan Production Corp.	50.0000	---	X	X	A	
Reading & Bates	16.6666	---	X	NR	B	
Hooper, Kimball & Williams, Inc.	16.6667	---	X	NR	B	
Ibex Partnership	7.8044	---	X	NR	A	
PC, Ltd.	7.8044	---	X	NR	A	
Carolyn Clark Oatman	0.4374	---	X	NR	A	
Warren Clark Trust	0.4069	---	X	NR	A	
Warren Clark Testamentary Trust	0.2136	---	X	NR	A	
Amoco Production	---	57.2656	X	X	---	
Sun Exploration & Prod. Co.*	---	36.4844	X	NR	---	
Meridian, Inc.	---	6.2500	NR	NR	---	
TOTAL	100.0000	100.0000	96.9	53.6328		

* - Interest initially owned by Kindermac Partners & recently assigned to Sun Exploration & Production Co.

Prior to making assignment to Sun, it is possible Kindermac Partners also conveyed minor interests totaling less than 1.5% to two other parties. This remains to be confirmed.

① - C-102 for proposed Ramses II Com #1 presented on page 2.

② - C-102 for Amoco's Seifert Gas Com "A" #1 presented on page 3.

③ - Reflects verbal commitment of working interest owner with respect to voluntary pooling Section 22 on 640 acre basis.

④ - Reflects written commitment to voluntarily form 640 acre pooling.

⑤ - Reflects position of W/2 working interest owners with regards to drilling Ramses II Com No. 1.

A = approved AFE with stipulation that drilling is last resort.

B = verbally agreed to participate as last resort but have not executed AFE.

C = opposed to drilling second well.

NR - No response to date, positive or negative

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

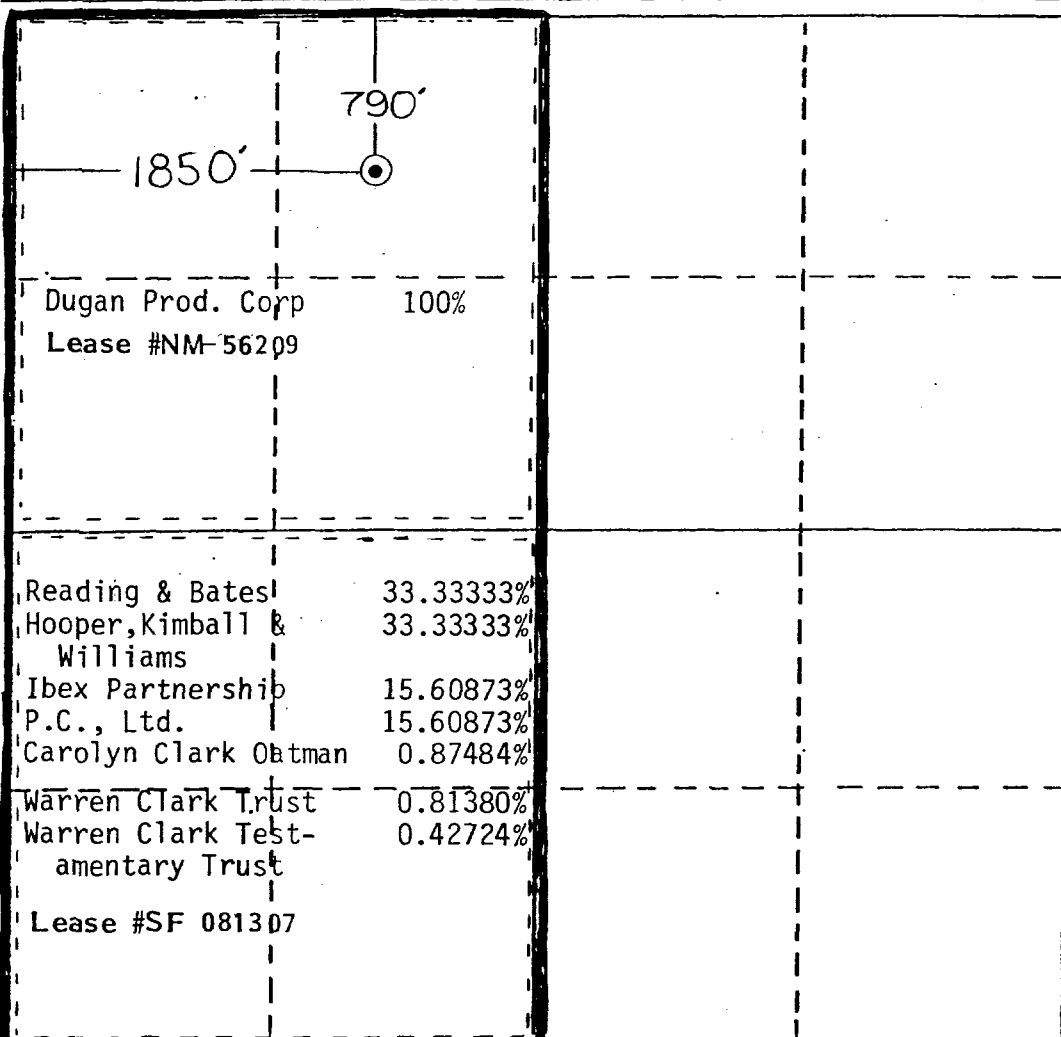
Operator Dugan Production Corp.			Lease Ramses II Com		Well No. 1
Unit Letter C	Section 22	Township 26 North	Range 2 West	County Rio Arriba	
Actual Footage Location of Well:					
790 feet from the North line and		1850 feet from the West line			
Ground Level Elev. 7553'	Producing Formation Mancos		Pool Gavilan Mancos	Dedicated Acreage: 320	Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation will be communitized

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Jim L. Jacobs
Position
Geologist
Company
Dugan Production Corp.

Date
2-11-88

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
2-11-88

Registered Professional Engineer
and/or Land Surveyor

Certificate No.
2373 P.E./L.S.

All dimensions must be from the corner boundaries of the Section.

Company AMOCO PRODUCTION COMPANY		Lease SEIFERT GAS COM A		Well No. 1
Unit P	Section 22	Township 26 NORTH	Range 2 WEST	County RIO ARriba
Actual Section Location of Well				
940 feet from the		SOUTH	990 feet from the	
			EAST	
Ground Level Elev. 7562	Producing Formation Mancos/Dakota	Well --- Gavilan-Greenhorn-EX Completion Average Graneros Dakota L. Gavilan Mancos 220' 220' 220' 220' 220'		

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2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Declaration of Unitization for E/2 of
Section 22

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

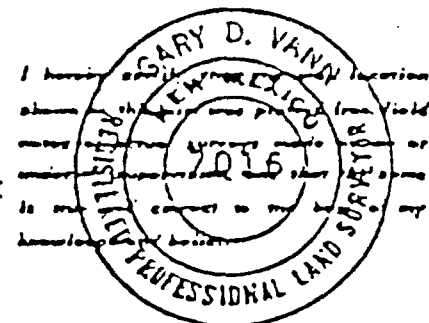
B. D. Shaw

Name
B. D. Shaw

Position
Asst. Supervisor

Company
Amoco Production Co.

Date
9-23-86



Date Surveyed
September 23, 1986

Registered Professional Engineer
and/or Land Surveyor
Gary D. Vann
Gary D. Vann

Certificate No.
7016