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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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OIL CONSERVATION DIVISION

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-104
Revised 10-01-78
Format 06-01-83
Page 1

RECEIVED
JUL 15 1988
OIL CON. DIV.
DIST. 3

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Operator
DUGAN PRODUCTION CORP.

Address
P.O. Box 5820, Farmington, NM 87499-5820

Reason(s) for filing (Check proper box)
- [X] New Well
- [ ] Recompletion
- [ ] Change in Ownership

Change in Transporter of:
- [ ] Oil
- [ ] Dry Gas
- [ ] Casinghead Gas
- [ ] Condensate

Other (Please explain)

If change of ownership give name and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name	Well No.	Pool Name, Including Formation	Kind of Lease	Lease No.
Champ	1	South Bisti Gallup	State, Federal or Fee Federal	NM 42059

Location
Unit Letter C : 660 Feet From The North Line and 1980 Feet From The West

Line of Section 5 Township 23N Range 10W , NMPM, San Juan County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil XX or Condensate	Address (Give address to which approved copy of this form is to be sent)
Conoco, Inc.	P O Box 1429, Bloomfield, NM 87413
Name of Authorized Transporter of Casinghead Gas XX or Dry Gas	Address (Give address to which approved copy of this form is to be sent)
Dugan Production Corp.	P.O. Box 5820, Farmington, NM 87499-5820

If well produces oil or liquids, give location of tanks.	Unit	Sec.	Twp.	Rge.	Is gas actually connected? When
	C	5	23N	10W	Will be connected on July 15, 1988

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

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

Jim L. Jacobs (Signature)

Geologist (Title)

7-14-88 (Date)

OIL CONSERVATION DIVISION JUL 15 1988

APPROVED _____, 19 _____

BY Original Signed by FRANK T. CHAVEZ

TITLE 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 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.

IV. COMPLETION DATA

Designate Type of Completion – (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
	XX		XX					

Spud Date	Date Compl. Ready to Prod.	Total Depth	P.B.T.D.
5-26-88	7-14-88	4720'	4653'
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation	Top Oil/Gas Pay	Tubing Depth
6575' GL; 6587' RKB	Gallup	4412'	4602'
Perforations			Depth Casing Shoe
4412-4603' - Gallup			4719'

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
12-1/4"	9-5/8" OD	226' RKB	147.5 cf
7-7/8"	4-1/2" OD	4719' RKB	1507 cf in 2 stages
	2-3/8"	4602'	

V. TEST DATA AND REQUEST FOR ALLOWABLE

(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)

OIL WELL

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
6-24-88	7-14-88	pumping	
Length of Test	**Tubing Pressure**	**Casing Pressure**	**Choke Size**
20 hours	---	110	---
Actual Prod. During Test	**Oil - Bbls.**	**Water - Bbls.**	**Gas - MCF**
42 BO, 18 MCF, 8 BLW*	50 BOPD	10 BLWPD *	22 MCFD

*water is frac fluid

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**