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1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

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

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

I.

| | |
|---|---|
| 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 type="checkbox"/> |
| Change in Operator <input checked="" type="checkbox"/> | Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/> |
| Change of Operator Effective 3-1-91 | |
| If change of operator give name and address of previous operator Kerr-McGee, P.O. Box 25861, Oklahoma City, OK 73125 | |

II. DESCRIPTION OF WELL AND LEASE

| | | | | |
|---|----------------------|--|--|-------------------------------|
| Lease Name Gentle | Well No. 3 | Pool Name, Including Formation Pinon Fruitland | Kind of Lease State <input checked="" type="checkbox"/> Federal <input type="checkbox"/> or Fee | Lease No. NM 010063 |
| Location Unit Letter P : 880 Feet From The South Line and 820 Feet From The East Line Section 8 Township 28N Range 11W , NMPM , San Juan 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) | |
| El Paso Natural Gas Co. | P.O. Box 4990, Farmington, NM 87499 | |
| If well produces oil or liquids, give location of tanks. | Unit | Sec. |
| | Twp. | Rge. |
| | | Is gas actually connected? Yes |
| | | When ? |

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. | MMCF |
| | | | FEB 27 1991 |

GAS WELL

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

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 **2-27-91** Telephone No. **325-1821**

OIL CONSERVATION DIVISION

FEB 27 1991

Date Approved _____

By **Supervisor**

SUPERVISOR DISTRICT #3

Title _____

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.