

NMOCD CASE NO. 9327

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
	Commitment 640 A	Pooling	640 A	Pooling Agreement	Re Drilling W/2
	WI in W/2 ^① 320 A Basis	WI in E/2 ^② 320 A Basis	WI in Sec. 22 640 A Basis		
Dugan Production Corp.	50.0000	---	25.0000	X	A
Reading & Bates	16.6666	---	8.3333	NR	B
Hooper, Kimball & Williams, Inc.	16.6667	---	8.3333	NR	B
Ibex Partnership	7.8044	---	3.9022	NR	A
PC, Ltd.	7.8044	---	3.9022	NR	A
Carolyn Clark Oatman	0.4374	---	0.2187	NR X	A
Warren Clark Trust	0.4069	---	0.2035	NR X	A
Warren Clark Testamentary Trust	0.2136	---	0.1068	NR X	A
Amoco Production	---	57.2656	28.6328	X	---
Sun Exploration & Prod. Co.*	---	36.4844	18.2422	NR	---
Meridian, Inc.	---	6.2500	3.1250	NR	---
TOTAL	100.0000	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.

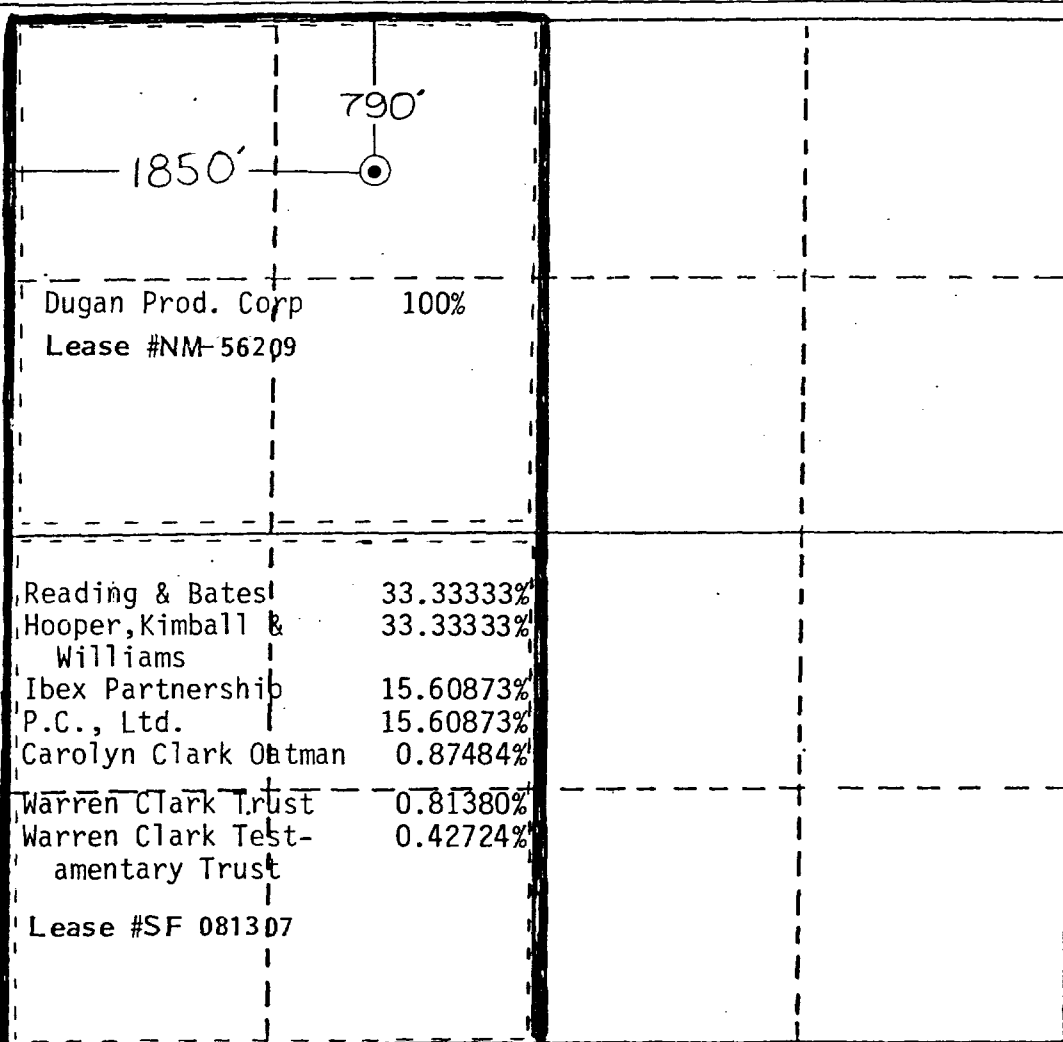
Operator Dugan Production Corp.		Lease Ramses II Com		Well No. 1
Unit Letter C	Section 22	Township 26 North	Range 2 West	County Rio Arriba
Actual Footage Location of Well: 790 feet from the North line and 1850 feet from the West line				
Ground Level Elev. 7553'	Producing Formation Mancos	Pool Gavilan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

Contract AMOCO PRODUCTION COMPANY		Lease SEIFERT GAS COM A		Well No. 1
Unit Section P	Section 22	Township 26 NORTH	Range 2 WEST	County RIO ARriba
Actual / Adjoining Location of Well				
940 feet from the		SOUTH line	990 feet from the	EAST line
Ground Level Elev. 7562	Preceding Formulas Mancos/Dakota	Pool --- Gavilan-Greenhorn- EX ^{EX} 220 ²²⁰ Acres Graneros Dakota & Gavilan Mancos		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 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.

		RECEIVED MAR 8 1987 OIL CON. DIV. DIST. 3
RECEIVED OCT 02 1985 OIL CON. DIV. DIST. 3		RECEIVED OCT 02 1985 OIL CON. DIV. DIST. 3

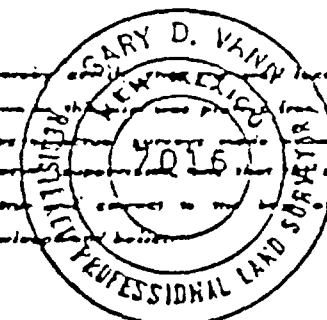
CERTIFICATION

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	Act. Supervisor
Company	Amoco Production Co.
Date	9-20-86

I hereby certify that the location shown on this plat was properly located and that the same is correct to the best of my knowledge and belief.



Date Surveyed	September 23, 1986
Professional Land Surveyor	<i>Gary D. Vann</i>
Certificate No.	7016