

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

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

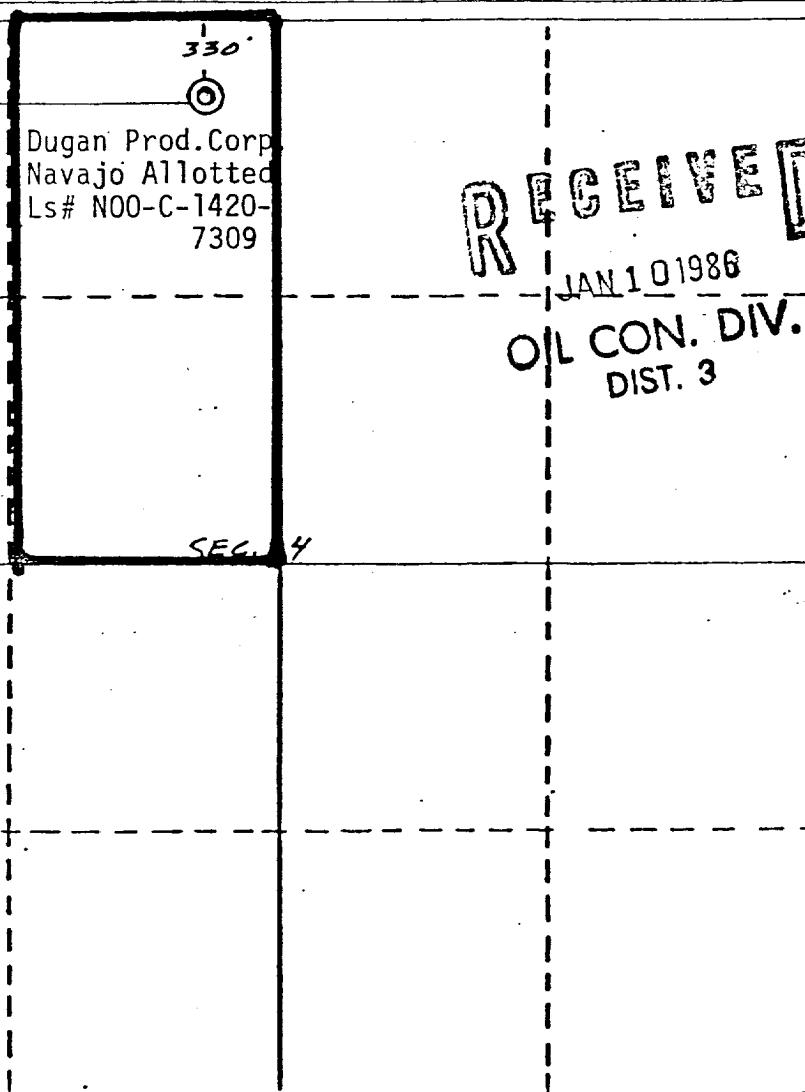
Operator Dugan Production Corporation			Lease Montreal		Well No. 1
Section C	Section 4	Township 23 North	Range 10 West	County San Juan	
Actual Footage Location of Well:					
330	feet from the North	line and 2310	feet from the West	line	
Ground Level Elev. 6608	Producing Formation Gallup	Pool	South Bisti-Gallup	Dedicated Acreage: 80	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, forced-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

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

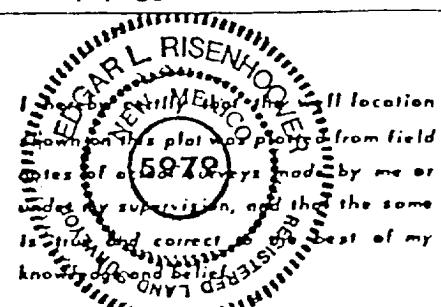
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Jim L. Jacobs
Name: Jim L. Jacobs

Position: Geologist

Company: Dugan Production Corp.

Date: 1-7-86



Date Surveyed: October 1, 1985

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhooff
Certificate No. 5979