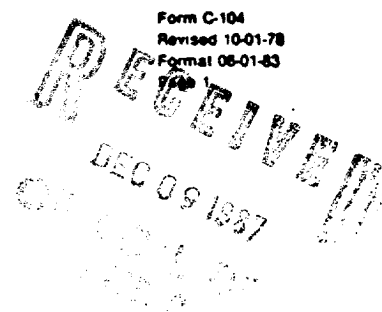


STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

NO. OF COPIES RECEIVED			
DISTRIBUTION			
SANTA FE			
FILE			
U.S.S.			
LAND OFFICE			
TRANSPORTER	OIL		
	GAS		
OPERATOR			
PRODUCTION OFFICE			

OIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

I.

Operator
Dugan Production Corp.

Address
P.O. Box 208 Farmington, NM 87499

Reason(s) for filing (Check proper box)

<input type="checkbox"/> New Well	Change in Transporter of:	<input type="checkbox"/> Dry Gas
<input type="checkbox"/> Recompletion	<input checked="" type="checkbox"/> Oil	<input type="checkbox"/> Condensate
<input type="checkbox"/> Change in Ownership	<input type="checkbox"/> Casinghead Gas	

Other (Please explain)
Effective December 11, 1987

If change of ownership give name
and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

Lease Name Oktoberfest	Well No. 1	Pool Name, including Formation South Bisti Gallup	Kind of Lease State, Federal or Fee State	Lease No. LG-9804
Location				
Unit Letter A	900	Feet From The North	Line and 750	Feet From The East
Line of Section 36	Township 24N	Range 10W	NMPM,	San Juan County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>	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 <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Dugan Production Corp. (no change)	P.O. Box 208 Farmington, NM 87499
If well produces oil or liquids, give location of tanks.	Is gas actually connected? When
Unit A Sec. 36 Twp. 24N Rge. 10W	Yes 1-3-86

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.

Selma Farley
(Signature)
Production Report Supervisor

12-9-87
(Date)

OIL CONSERVATION DIVISION

APPROVED _____, 19 _____
BY _____
TITLE _____

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.