

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTOIL CONSERVATION DIVISION
P. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-104
Revised 10-01-78
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Page 1RECEIVED
JUL 29 1987
OIL CON. DIV.
DIST. 3REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

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DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	NAT
OPERATOR	
PRODUCTION OFFICE	

Operator DUGAN PRODUCTION CORP.	
Address P.O. Box 208, Farmington, NM 87499	
Reason(s) for filing (Check proper box)	Other (Please explain)
<input checked="" type="checkbox"/> New Well	
<input type="checkbox"/> Recompletion	
<input type="checkbox"/> Change in Ownership	
Change in Transporter of:	
<input type="checkbox"/> Oil	<input type="checkbox"/> Dry Gas
<input type="checkbox"/> Casinghead Gas	<input type="checkbox"/> Condensate

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

II. DESCRIPTION OF WELL AND LEASE

Lease Name Mary Lou	Well No. 3	Pool Name, including Formation South Bisti-Gallup	Kind of Lease State, Federal or Fee	State State	Lease No. V-1509
Location					
Unit Letter I	1980	Feet From The South	Line and 660	Feet From The East	
Line of Section 32	Township 24N	Range 10W	NMPM,	San Juan	County

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

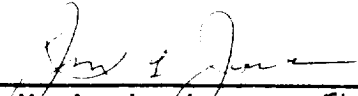
Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> The Mancos Corp.	Address (Give address to which approved copy of this form is to be sent) P.O. Box 1320, Farmington, NM 87401				
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> Dugan Production Corp.	Address (Give address to which approved copy of this form is to be sent) P.O. Box 208, Farmington, NM 87499				
If well produces oil or liquids, give location of tanks.	Unit G	Sec. 32	Twp. 24N	Rge. 10W	Is gas actually connected? Yes
					When 7-25-87

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)

 (Title)
Geologist

 (Date)
7-28-87

OIL CONSERVATION DIVISION

JUL 25 1987
 APPROVED _____
 Original Signed by **FRANK T. CHAVEZ**
 BY _____
 SUPERVISOR DISTRICT **3**
 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 allow-
able 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.

Designate Type of Completion - (X)		Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
		XX		XX					
Date Spudded 3-28-87	Date Compl. Ready to Prod. 7-25-87		Total Depth 4825'			P.B.T.D. 4762'			
Elevations (DF, RKB, RT, CR, etc.) 6608' GL; 6620' KB	Name of Producing Formation Gallup		Top Oil/Gas Pay 4435'			Tubing Depth 4680'			
Perforations 4435' - 4692' - Gallup						Depth Casing Shoe 4824'			

TUBING, CASING, AND CEMENTING RECORD

HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT
12-1/4"	8-5/8"	208' RKB	212 cf
7-7/8"	4-1/2"	4824' RKB	1572.5 cf in 2 stages
	2-3/8"	4680'	

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)

Date First New Oil Run To Tanks 7-25-87	Date of Test 7-29-87	Producing Method (Flow, pump, gas lift, etc.) Pumping	
Length of Test 24 hrs	Tubing Pressure 70	Casing Pressure ---	Choke Size ---
Actual Prod. During Test 35 BO, 40 BLW*, 15 MCF	Oil - Bbls. 35 BOPD	Water - Bbls. 40 BLWPD*	Gas - MCF 15 MCFD

*Water is frac fluid

GAS WELL

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