

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410

Energy, Minerals & Natural Resources Department

2040 South Pacheco, Santa Fe, NM 87505

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

<sup>1</sup> Operator name and Address Dugan Production Corp. P. O. Box 420 Farmington, NM 87499-0420 (505)325-1821		<sup>2</sup> OGRID Number 006515
		<sup>3</sup> Reason for Filing Code NW
<sup>4</sup> API Number 30 - 045 -30094	<sup>5</sup> Pool Name Basin Fruitland Coal	<sup>6</sup> Pool Code 71629
<sup>7</sup> Property Code 028891	<sup>8</sup> Property Name Hermitage Com	<sup>9</sup> Well Number 90

II. <sup>10</sup> Surface Location

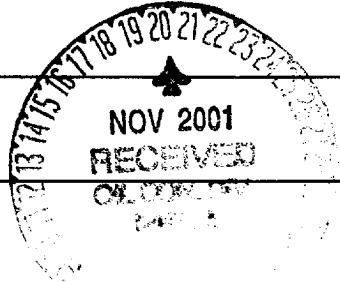
UL or lot no. L	Section 33	Township 26N	Range 12W	Lot Idn	Feet from the 2298	North/South Line South	Feet from the 1298	East/West line West	County San Juan
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<sup>11</sup> Bottom Hole Location

UL or lot no. L	Section 33	Township 26N	Range 12W	Lot Idn	Feet from the 2298	North/South line South	Feet from the 1298	East/West line West	County San Juan
<sup>12</sup> Lse Code	<sup>13</sup> Producing Method Code	<sup>14</sup> Gas Connection Date	<sup>15</sup> C-129 Permit Number	<sup>16</sup> C-129 Effective Date	<sup>17</sup> C-129 Expiration Date				

III. Oil and Gas Transporters

<sup>18</sup> Transporter OGRID 151618	<sup>19</sup> Transporter Name and Address El Paso Field Services 614 Reilly Ave., Farmington, NM	<sup>20</sup> POD 2830523	<sup>21</sup> O/G G	<sup>22</sup> POD ULSTR Location and Description Unit L, Sec. 33, T26N, R12W



IV. Produced Water

<sup>23</sup> POD 2830524	<sup>24</sup> POD ULSTR Location and Description
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V. Well Completion Data

<sup>25</sup> Spud Date 10/08/01	<sup>26</sup> Ready Date 10/26/01	<sup>27</sup> TD 1185'	<sup>28</sup> PBTD 1118'	<sup>29</sup> Perforations 1042'-1060'	<sup>30</sup> DHC, DC, MC
<sup>31</sup> Hole Size 8-3/4"	<sup>32</sup> Casing & Tubing Size 7"	<sup>33</sup> Depth Set 125'	<sup>34</sup> Sacks Cement 60 sacks		
6-1/4"	4-1/2"	1180'	130 sacks		
	2-3/8"	1069'			

VI. Well Test Data

<sup>35</sup> Date New Oil N/A	<sup>36</sup> Gas Delivery Date	<sup>37</sup> Test Date 11/13/01	<sup>38</sup> Test Length 24 hrs.	<sup>39</sup> Tbg. Pressure 35	<sup>40</sup> Csg. Pressure 35
<sup>41</sup> Choke Size 3/8"	<sup>42</sup> Oil 0	<sup>43</sup> Water 0	<sup>44</sup> Gas 90	<sup>45</sup> AOF	<sup>46</sup> Test Method

<sup>47</sup> I hereby certify that the rules 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: <i>John Alexander</i>		OIL CONSERVATION DIVISION ORIGINAL SIGNED BY CHARLIE T. PERKIN	
Printed name: John Alexander		Title: DEPUTY OIL & GAS INSPECTOR, DIST. 85	
Title: Vice President		Approval Date: NOV 27 2001	
Date: November 16, 2001		Phone: (505)325-1821	

<sup>48</sup> If this is a change of operator fill in the OGRID number and name of the previous operator			
Previous Operator Signature	Printed Name	Title	Date

New Mexico Oil Conservation Division  
C-104 Instructions

IF THIS IS AN AMENDED REPORT, CHECK THE BOX LABELED "AMENDED REPORT" AT THE TOP OF THIS DOCUMENT

Report all gas volumes at 15.025 PSIA at 601.  
Report all oil volumes to the nearest whole barrel.

A request for allowable for a newly drilled or deepened well must be accompanied by a tabulation of the deviation tests conducted in accordance with Rule 111.

All sections of this form must be filled out for allowable requests on new and recompleted wells.

Fill out only sections I, II, III, IV, and the operator certifications for changes of operator, property name, well number, transporter, or other such changes.

A separate C-104 must be filed for each pool in a multiple completion.

Improperly filled out or incomplete forms may be returned to operators unapproved.

1. Operator's name and address
2. Operator's OGRID number. If you do not have one it will be assigned and filled in by the District office.
3. Reason for filing code from the following table:  
NW New Well  
RC Recompletion  
CH Change of Operator (Include the effective date.)  
AO Add oil/condensate transporter  
CO Change oil/condensate transporter  
AG Add gas transporter  
CG Change gas transporter  
RT Request for test allowable (Include volume requested)  
If for any other reason write that reason in this box.
4. The API number of this well
5. The name of the pool for this completion
6. The pool code for this pool
7. The property code for this completion
8. The property name (well name) for this completion
9. The well number for this completion
10. The surface location of this completion NOTE: If the United States government survey designates a Lot Number for this location use that number in the 'UL or lot no.' box. Otherwise use the OCD unit letter.
11. The bottom hole location of this completion
12. Lease code from the following table:  
F Federal  
S State  
P Fee  
J Jicarilla  
N Navajo  
U Ute Mountain Ute  
I Other Indian Tribe
13. The producing method code from the following table:  
F Flowing  
P Pumping or other artificial lift
14. MO/DA/YR that this completion was first connected to a gas transporter
15. The permit number from the District approved C-129 for this completion
16. MO/DA/YR of the C-129 approval for this completion
17. MO/DA/YR of the expiration of C-129 approval for this completion
18. The gas or oil transporter's OGRID number
19. Name and address of the transporter of the product
20. The number assigned to the POD from which this product will be transported by this transporter. If this is a new well or recompletion and this POD has no number the district office will assign a number and write it here.

21. Product code from the following table:  
O Oil  
G Gas
  22. The ULSTR location of this POD if it is different from the well completion location and a short description of the POD (Example: "Battery A", "Jones CPD", etc.)
  23. The POD number of the storage from which water is moved from this property. If this is a new well or recompletion and this POD has no number the district office will assign a number and write it here.
  24. The ULSTR location of this POD if it is different from the well completion location and a short description of the POD (Example: "Battery A Water Tank", "Jones CPD Water Tank", etc.)
  25. MO/DA/YR drilling commenced
  26. MO/DA/YR this completion was ready to produce
  27. Total vertical depth of the well
  28. Plugback vertical depth
  29. Top and bottom perforation in this completion or casing shoe and TD if openhole
  30. Write in 'DHC' if this completion is downhole commingled with another completion, 'DC' if this completion is one of two non-commingled completions in this well bore, or 'MC' if there are more than three non-commingled completions in this well bore.
  31. Inside diameter of the well bore
  32. Outside diameter of the casing and tubing
  33. Depth of casing and tubing. If a casing liner show top and bottom.
  34. Number of sacks of cement used per casing string
- If the following test data is for an oil well it must be from a test conducted only after the total volume of load oil is recovered.
35. MO/DA/YR that new oil was first produced
  36. MO/DA/YR that gas was first produced into a pipeline
  37. MO/DA/YR that the following test was completed
  38. Length in hours of the test
  39. Flowing tubing pressure - oil wells  
Shut-in tubing pressure - gas wells
  40. Flowing casing pressure - oil wells  
Shut-in casing pressure - gas wells
  41. Diameter of the choke used in the test
  42. Barrels of oil produced during the test
  43. Barrels of water produced during the test
  44. MCF of gas produced during the test
  45. Gas well calculated absolute open flow in MCF/D
  46. The method used to test the well:  
F Flowing  
P Pumping  
S Swabbing  
If other method please write it in.
  47. The signature, printed name, and title of the person authorized to make this report, the date this report was signed, and the telephone number to call for questions about this report
  48. The previous operator's name, the signature, printed name, and title of the previous operator's representative authorized to verify that the previous operator no longer operates this completion, and the date this report was signed by that person