District I State of New Mexico Form C-104 Energy, Minerals & Natural Resources Department PO Box 1980, Hobbs, NM 88241-1980 Revised October 18, 1994 District II Instructions on back 811 South First, Artesia, NM 88210 OIL CONSERVATION DIVISION Submit to Appropriate District Office District III 2040 South Pacheco 5 Copies 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 District IV 2040 South Pacheco, Santa Fe, NM 87505 REQUEST FOR ALLOWABLE AND AUTHORIZA TION TO TRANSPORT 1 Operator name and Address ² OGRID Number **Dugan Production Corp.** 006515 P. O. Box 420 Farmington, NM 87499-0420 (505)325-1821 3 Reason for Filing Code NW ⁵ Pool Name 6 Pool Code 30 - 045-30724 Twin Mounds Fruitland Sand-PC 86620 7 Property Code ⁸ Property Name ⁹ Well Number 003865 Turk's Toast 10 10 Surface Location II. Ul or lot no. Section Township Range Lot.ldn Feet from the North/South Line Feet from the East/West line County C 30N 19 14W 6601 North 1,980' West San Juan 11 Bottom Hole Location UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County \mathbf{C} 660 19 30N 14W North 1,980' West San Juan 12 Lse Code 13 Producing Method Code 14 Gas Connection Date ¹⁵ C-129 Permit Number 16 C-129 Effective Date 17 C-129 Expiration Date Oil and Gas Transporters 18 Transporter ¹⁹ Transporter Name ²⁰ POD ²¹ O/G 22 POD ULSTR Location OGRID and Address and Description 151618 El Paso Field Services 2813279 Dugan's Turk's Toast CDP gas meter \mathbf{G} located at: H-6-29N-14W 614 Reilly Ave., Farmington, NM 87401 IV. Produced Water 28397777 ²⁴ POD ULSTR Location and Description V. Well Completion Data 27 TD 25 Spud Date 26 Ready Date ²⁸ PBTD ²⁹ Perforations 30 DHC, DC,MC 01/30/02 12/17/01 1,145 1,078 872'-1,018' 31 Hole Size 32 Casing & Tubing Size 33 Depth Set 34 Sacks Cement 8-3/4" 125 50 sacks Class "B" neat w/ 1/4# celloflake 6-1/4" 4-1/2" 60 sx. Class "B" w/2% Lodense 1.138 w/ 1/4# celloflake/sx. plus 60 sx. with 1/4# celloflake/sx. TOTAL: 194.4 cu. ft. (180 sx.) 1,027 2-3/8" tubing VI. Well Test Data 35 Date New Oil 36 Gas Delivery Date 37 Test Date 38 Test Length ³⁹ Tbg. Pressure ⁴⁰ Csg. Pressure N/A N/A 02/01/02 24 hours 200 ⁴² Oil 43 Water 41 Choke Size 44 Gas 45 AOF 46 Test Method 3/4" 100 100 N/A ⁴⁷ I hereby certify that the rules of the Oil Conservation Division have OIL CONSERVATION DIVISION
Approved by: been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: Title: PHITY OR & SAS IMPORTED FOR Printed name: Terry Kochis Title: Petroleum Engineer Approval Date Date: February 7, 2002 Phone: (505)325-1821 48 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 LABLED "AMENDED REPORT" AT THE TOP OF THIS DOCUMENT

Report all gas volumes at 16.025 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
- Operator's OGRID number. If you do not have one it will be assigned and filled in by the District office. 2.
- 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. 3.

- 4 The API number of this well
- The name of the pool for this completion 5.
- 8. The pool code for this pool
- The property code for this completion 7.
- 8. The property name (well name) for this completion
- The well number for this completion 9.
- 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. 10.
- 11. The bottom hole location of this completion
- Lease code from the following table: 12.

 - U N

 - Federal State Fee Jicarilla Navajo Ute Mountain Ute Other Indian Tribe
- 13. The producing method code from the following table:
 - Flowing Pumping or other artificial lift
- MO/DA/YR that this completion was first connected to a gas transporter 14.
- The permit number from the District approved C-129 for this completion 15.
- MO/DA/YR of the C-129 approval for this completion 16.
- MO/DA/YR of the expiration of C-129 approval for this completion 17.
- 18. The gas or oil transporter's OGRID number
- 19. Name and address of the transporter of the product
- 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. 20.
- Product code from the following table: 21.
 - Oil Gas Ö
- 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.) 22.
- 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. 23.
- The ULSTR location of this POD if it is different from the 24. 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
- MO/DA/YR this completion was ready to produce 26.
- Total vertical depth of the well 27.
- Plugback vertical depth
- Top and bottom perforation in this completion or casing shoe and TD if openhole 29.
- 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 30. completions in this well bore.

- 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
- 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
- Flowing tubing pressure oil wells Shut-in tubing pressure gas wells 39.
- Flowing casing pressure oil wells Shut-in casing pressure gas wells 40.
- 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
- Gas well calculated absolute open flow in MCF/D
- The method used to test the well: 46. F Flowing
 P Pumping
 S Swabbing
 If other method please write it in.
- 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 47.
- 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 48.