

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
March 4, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Dugan Production Corp. 709 East Murray Drive Farmington, New Mexico 87401		OGRID Number 006515
Property Code 33033		API Number 30-045-32425
Property Name Monte Carlo Com		Well No. 90XS

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	7	30N	14W		2510	North	1200	West	San Juan

8 Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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⁹ Proposed Pool 1

Basin Fruitland Coal

¹⁰ Proposed Pool 2

Drilling Pit Location and Other Information

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	7	30N	14W		2510	North	1200	West	San Juan
Depth to ground water Pictured Cliffs 735'		Distance from nearest fresh water well 4-miles		Distance from nearest surface water McCabe Dam 2-1/2 mi. SW					
¹¹ Work Type Code N		¹² Well Type Code G		¹³ Cable/Rotary R		¹⁴ Lease Type Code P		¹⁵ Ground Level Elevation 5376'	
¹⁶ Multiple No		¹⁷ Proposed Depth 890'		¹⁸ Formation Fruitland Coal		¹⁹ Contractor W. Smith		²⁰ Spud Date ASAP	

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
11"	8-5/8"	23#	120'	70-cu. ft.	Surface
7"	5-1/2"	14#	890'	150-cu. ft.	Surface

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary. A water based gel-mud will be used to drill surface and production casing holes. Standard 2,000 psi BOP will be used to drill production casing hole. The Fruitland Coal will be completed from approximately 600' - 735'. The interval will be fractured.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

Signature:

Kurt Fagrelus

Printed name: Kurt Fagrelus

Title: Geologist

E-mail Address: kfagrelus@duganproduction.com

Date: June 23, 2004

Phone: 505-325-1821

OIL CONSERVATION DIVISION

Approved by:

[Signature]

Title:

DEPUTY OIL & GAS INSPECTOR, DIST. #8

Approval Date:

JUN 25 2004

Expiration Date:

JUN 25 2005

Conditions of Approval: Supply pit information

Attached ☐

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer DD, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-32425		*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code 33033	*Property Name MONTE CARLO COM		*Well Number 90S
*GRID No. 006515	*Operator Name DUGAN PRODUCTION CORPORATION		*Elevation 5376'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	7	30N	14W		2510	NORTH	1200	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 320.0 Acres - (W/2)					¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.		

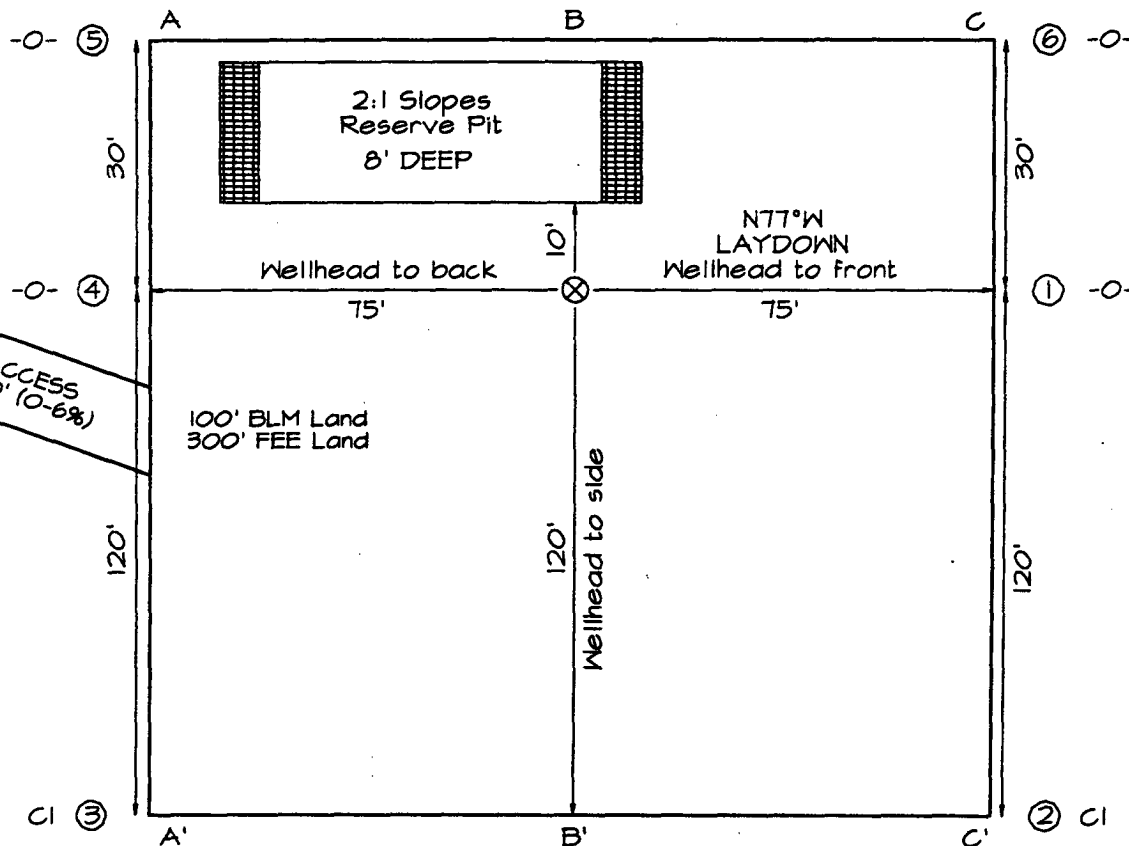
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>¹⁶ Dugan FEE</p> <p>5285.28'</p> <p>2510'</p> <p>90-S</p> <p>1200'</p> <p>Dugan NM-16765</p> <p>Dugan FEE</p> <p>5280.00'</p> <p>7</p> <p>Dugan NM-16765</p> <p>5301.78'</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Kurt Fagrelius</i></p> <p>Signature</p> <p>Kurt Fagrelius</p> <p>Printed Name</p> <p>Geologist</p> <p>Title</p> <p>June 23, 2004</p> <p>Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey: JUNE 4, 2004</p> <p>Signature and Seal of Professional Surveyor</p> <p><p><i>JASON C. EDWARDS</i></p><p>Certificate Number 15269</p></p>

DUGAN PRODUCTION CORPORATION MONTE CARLO COM #90S
2510' FNL & 1200' FWL, SECTION 7, T30N, R14W, NMPM
SAN JUAN COUNTY, NEW MEXICO ELEVATION: 5376'



ACCESS
400' (0-6%)



LATITUDE: 36°49'44"
 LONGITUDE: 108°21'18"
 DATUM: NAD1927

PLAT NOTE:

SURFACE OWNER
 FEE Land

A-A'						
5386'						
5376'						
5366'						

B-B'						
5386'						
5376'						
5366'						

C-C'						
5386'						
5376'						
5366'						

Note: Contractor should call One-Call for location of any marked or unmarked buried pipelines or cables on well pad and/or access road at least two (2) working days prior to construction