

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  
June 16, 2008

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

Submit to appropriate District Office

AMENDED REPORT

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

<sup>1</sup> Operator Name and Address Dugan Production Corp. 709 East Murray Drive, Farmington, New Mexico 87401		<sup>2</sup> OGRID Number 006515
<sup>3</sup> Property Code 384108	<sup>4</sup> Property Name Moncrief <i>COM</i>	<sup>5</sup> APL Number 30-045-35235
<sup>6</sup> Proposed Pool 1 Basin Fruitland Coal (71629)		<sup>7</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	2	30N	13W	1	990	North	680	East	San Juan

<sup>8</sup> 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

Additional Well Information

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 5946' -GL
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 2200-Feet	<sup>18</sup> Formation Fruitland Coal	<sup>19</sup> Contractor Wayne Smith	<sup>20</sup> Spud Date ASAP

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24#	120-Feet	70-cf	Surface
7"	5-1/2"	14#	2200-Feet	350-cf	Surface

<sup>22</sup> 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 hole. Standard 2,000 psi BOP will be used to drill production hole. The Fruitland Coal will be completed from approximately 2040 - 2050 feet. The interval will be fracture stimulated.

RCVD MAR 30 '11  
OIL CONS. DIV.  
DIST. 3

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

*Kurt Fagrelius*

Printed name: Kurt Fagrelius

Title: VP-Exploration

E-mail Address: kfagrelius@duganproduction.com

Date: 2/29/2011

Phone: 505-325-1821

OIL CONSERVATION DIVISION

Approved by:

*Christine* 4-13-11

Title:

SUPERVISOR DISTRICT # 3

Approval Date:

APR 13 2011

Expiration Date:

APR 13 2012

Conditions of Approval Attached

APR 13 2011

FIELD OFFICE FOR 5.9 Compliance

*K*

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State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30.045-35235		2 Pool Code 71629		3 Pool Name BASIN FRUITLAND COAL	
4 Property Code 384108		5 Property Name MONCRIEF			6 Well Number 100
7 OGRID No. 006515		8 Operator Name DUGAN PRODUCTION CORPORATION			9 Elevation 5946'

10 Surface Location

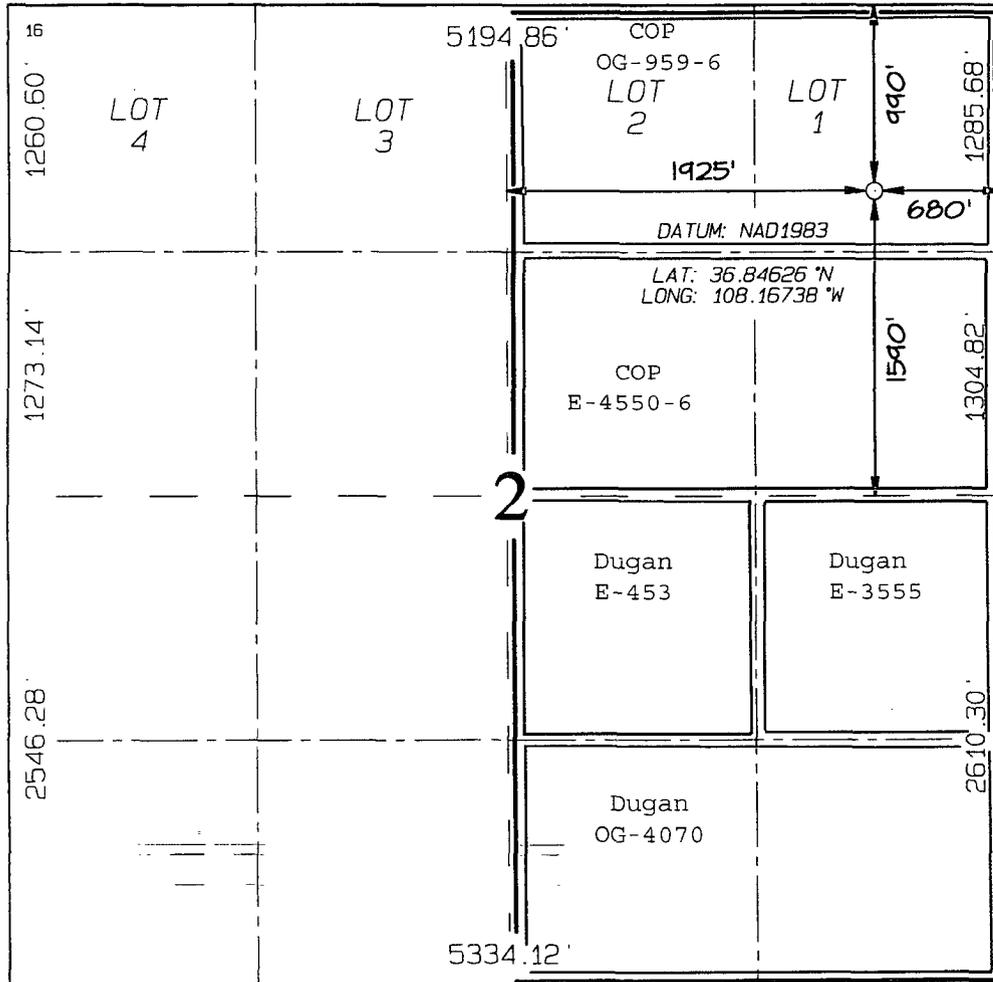
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	2	30N	13W		990	NORTH	680	EAST	SAN JUAN

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 318.90 Acres - (E/2)	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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



17 OPERATOR CERTIFICATION  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Kurt Fagrelus* 3-29-2011  
Signature Date  
Kurt Fagrelus  
Printed Name

18 SURVEYOR CERTIFICATION  
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

Date of Survey: MARCH 8, 2011  
Signature and Seal of Professional Surveyor

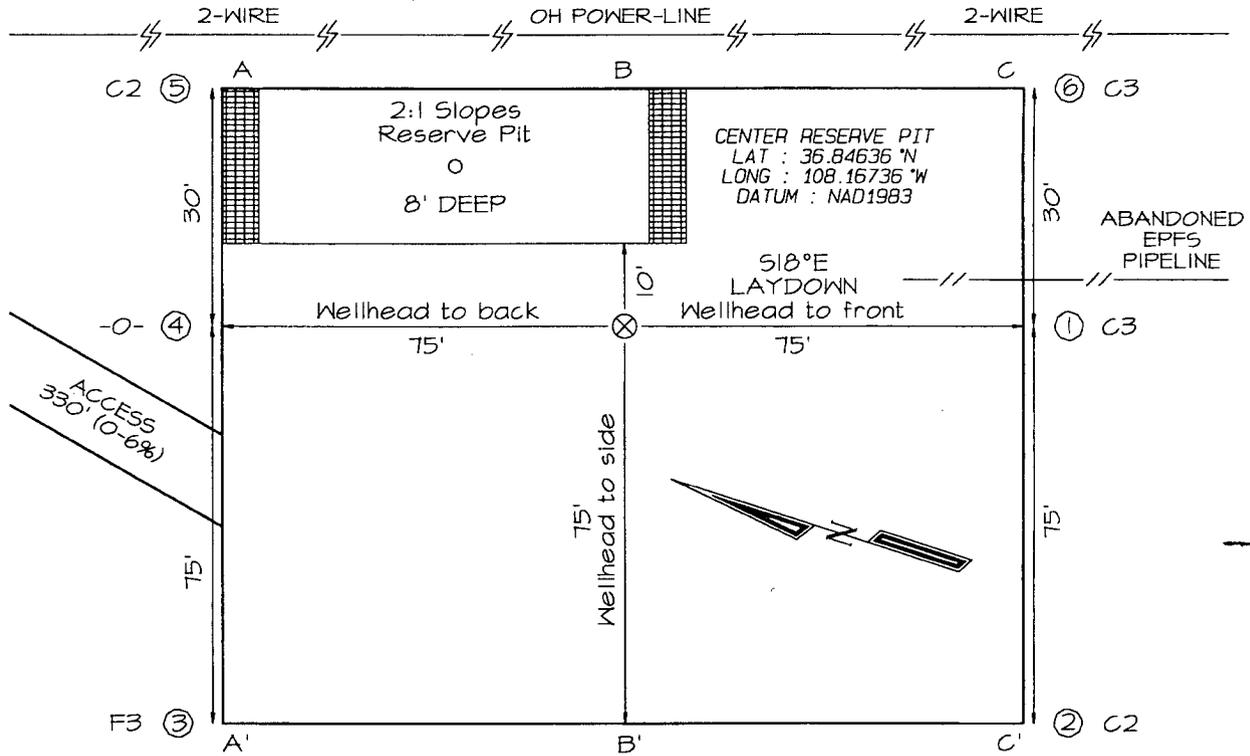


JASON C. EDWARDS  
Certificate Number 15269

**DUGAN PRODUCTION CORPORATION MONCRIEF #100**  
**990' FNL & 680' FEL, SECTION 2, T30N, R13W, NMPM**  
**SAN JUAN COUNTY, NEW MEXICO GROUND ELEVATION: 5946'**

**LATITUDE: 36.84626° N**  
**LONGITUDE: 108.16738° W**  
 DATUM: NAD1983

PLAT NOTE:  
 \*SURFACE OWNER\*  
 State of New Mexico



Steel T-Posts have been set to define the Edge of Disturbance limits which are 50' offset from the edge of the staked wellpad.

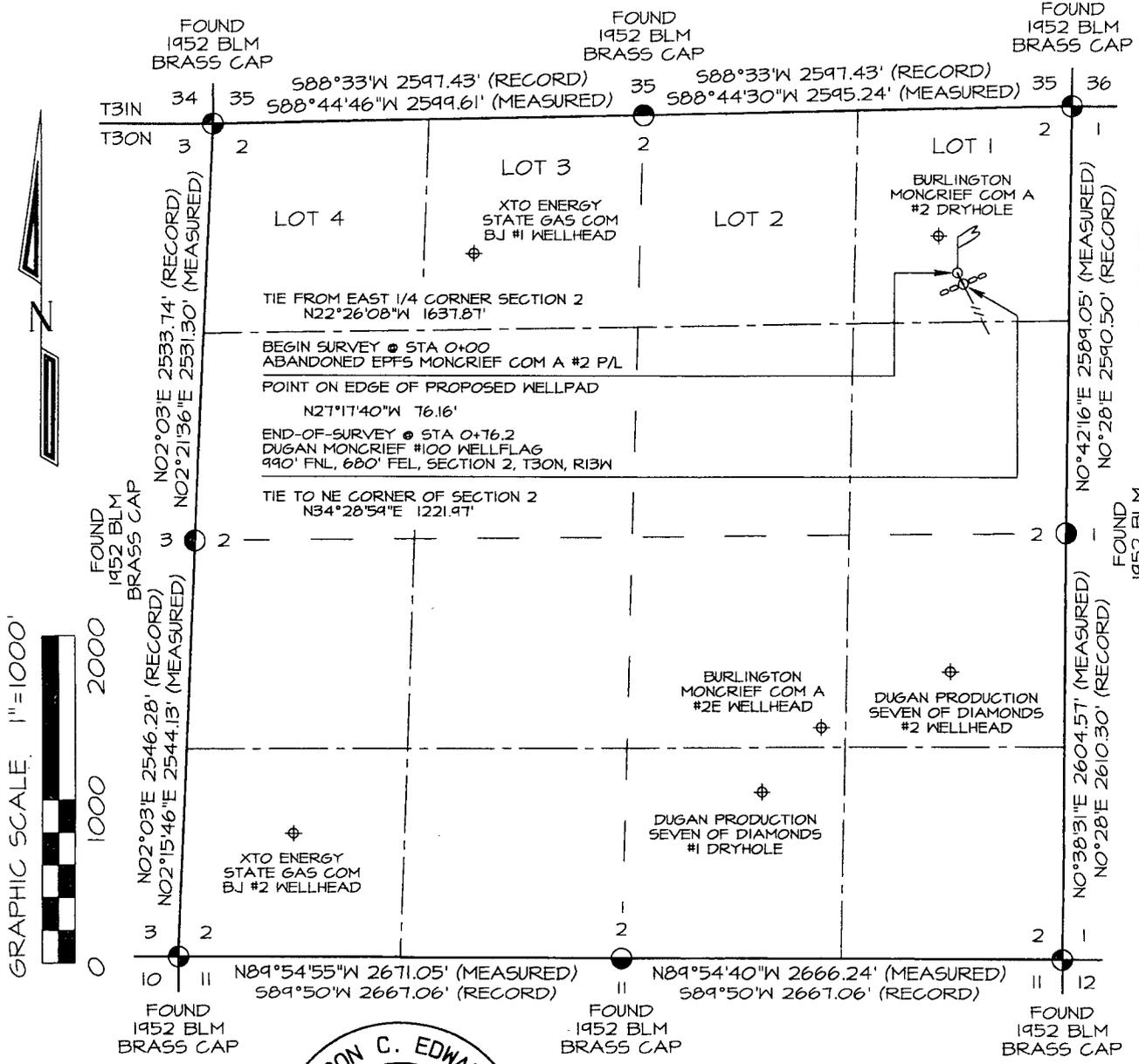
A-A'							
5956'							
5946'							
5936'							

B-B'							
5956'							
5946'							
5936'							

C-C'							
5956'							
5946'							
5936'							

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

**DUGAN PRODUCTION CORPORATION MONCRIEF #100  
PROPOSED PIPELINE SURVEY LOCATED IN THE  
NE/4 NE/4 OF SECTION 2, T30N, R13W, NMPM.  
SAN JUAN COUNTY, NEW MEXICO**



**PLAT NOTE:**  
BEFORE ANY CONSTRUCTION BEGINS, CONTRACTOR IS ADVISED TO CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED PIPELINES OR CABLES IN THE AREA OF THE PROJECT

**PLAT NOTE:**  
REAL-TIME KINEMATIC GPS SURVEY SOLUTION OBTAINED FROM SATELLITES TRACKED ON MARCH 8, 2011 FROM A REFERENCE STATION POSITIONED IN NW/4 NE/4 OF SECTION 2, T30N, R13W



~ SURFACE OWNERSHIP ~  
State of New Mexico Land

0+00 TO 0+76.2	76.2 FT / 4.6 RODS
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I, Jason C. Edwards, a registered Professional Surveyor under the laws of the State of New Mexico, hereby certify that this plat was prepared from field notes of an actual survey meeting the minimum requirements of the standards for easement surveys and is true and correct to the best of my knowledge and belief.

**JASON C. EDWARDS** Date: March 28, 2011  
Jason C. Edwards, P.L.S.  
New Mexico L.S. #15269

Prepared for: DUGAN PRODUCTION P.O. BOX #420 FARMINGTON, NM 87499		Land Surveyor: <b>Jason C. Edwards</b> Mailing Address: Post Office Box 6612 Farmington, NM 87499 Business Address: 111 East Pinon Street Farmington, NM 87402 (505) 325-2654 (Office) (505) 326-5650 (Fax)
	<b>SURVEYS, INC.</b>	CHECKED BY: JCE DRAWN BY: SLE SHEET 3 OF 4 FILENAME: 30132AG2

DUGAN PRODUCTION CORPORATION MONCRIEF #100  
990' FNL & 680' FEL, SECTION 2, T30N, R13W, N.M.P.M.  
SAN JUAN COUNTY, NEW MEXICO

