

Form 9-331 C  
(July 1963)SUBMIT IN TRIPLICATE\*  
(Other instructions on  
reverse side)Form approved.  
Budget Bureau No. 42-R1425.UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

## 1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

## b. TYPE OF WELL

OIL  
WELL ☒GAS  
WELL ☐OTHER ☐SINGLE  
ZONE ☐MULTIPLE  
ZONE ☐

## 2. NAME OF OPERATOR

DUGAN PRODUCTION CORP.

## 3. ADDRESS OF OPERATOR

P O Box 208, Farmington, NM 87499

## 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

1890' FNL - 660' FEL

At proposed prod. zone

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

2 miles NE of Counselors, NM

## 15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

660'

## 16. NO. OF ACRES IN LEASE

280

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

160

## 18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

2700'

## 19. PROPOSED DEPTH

5530'

## 20. ROTARY OR CABLE TOOLS

Rotary

## 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6787' GL; 6799' RKB

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED

## 22. APPROX. DATE WORK WILL START\*

ASAP

## 23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	32	200'	159 cf class B
7-7/8"	4-1/2"	11.6 & 10.5	5530'	1575 cf in two stages

Plan to drill with spud mud to set surface casing. Will then drill with water-mud-gel mixture to test the Gallup formation. Plan to run IES and CDL logs and, if the well appears productive, will run 4½" casing to TD. Will selectively perforate, frac and clean up after frac, completing well with 1½" or 2-3/8" tubing.

GAS DEDICATED.

RECEIVED

APR 7 - 1983

OIL CON. DIV.  
DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

Jerry McHugh

TITLE

Well Site Coordinator

DATE

3-11-83

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

APPROVED  
AS AMENDEDDATE  
APR 06 1983  
JAMES F. SIMS  
DISTRICT ENGINEER

111000

## OIL CONSERVATION DIVISION

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088  
SANTA FE, NEW MEXICO 87501Form C-102  
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

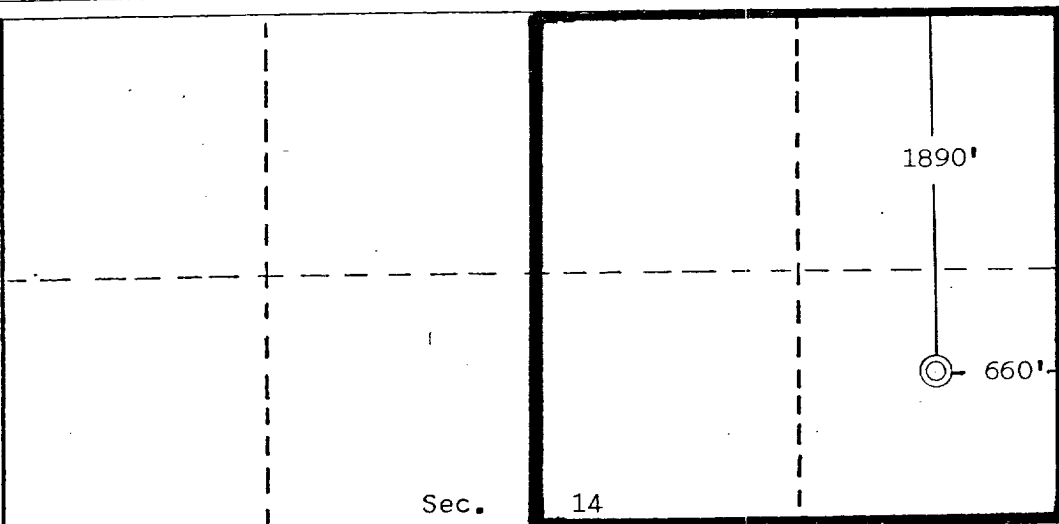
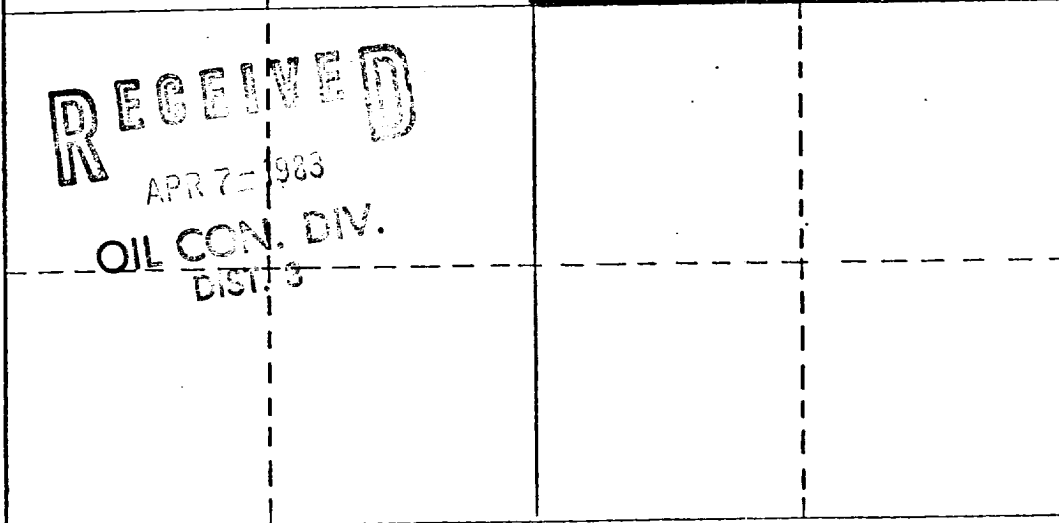
Operator Dugan Production Corporation			Lease Celsius		Well No. 1
Unit Letter H	Section 14	Township 23 North	Range 6 West	County Rio Arriba	
Actual Footage Location of Well: 1890 feet from the North line and 660 feet from the East line					
Ground Level Elev. 6787	Producing Formation Gallup		Pool Counsellors GA Assoc. 0 & G		Dedicated Acreage: 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) \_\_\_\_\_

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.

		Sec. 14	
			

## CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Jerry McHugh*  
Name  
Jerry McHugh

Position  
Landman

Company  
Dugan Production Corp.

Date  
3-14-83

  
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 knowledge and belief.

Date Surveyed  
March 2, 1983

Registered Professional Engineer  
and/or Land Surveyor

*Edgar L. Risenhoover*  
Certificate No. 5979



Existing Road *to be im-*  
Access Road *proved*

DUGAN PRODUCTION CORP.  
Celsius #1  
Exhibit E