

(December 1990)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

(Other instructions on reverse side)

Budget Bureau No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL ☒ DEEPEN ☐				5. LEASE DESIGNATION AND SERIAL NO. NM-89023	
b. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER ☐				6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Dugan Production Corp. 6515				7. UNIT AGREEMENT NAME South Seas 13428	
3. ADDRESS AND TELEPHONE NO. P.O. Box 420, Farmington, NM 87499 (505) 325-1821				8. FARM OR LEASE NAME, WELL NO. South Seas #1	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1100' FNL & 1135' FEL (NE/4 NE/4) At proposed prod. zone				9. API WELL NO. 30-043-20897	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 4 miles SW of Escrito Trading Post, NM				10. FIELD AND POOL, OR WILDCAT W/C Biste	
10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 1100'		16. NO. OF ACRES IN LEASE 920		17. NO. OF ACRES ASSIGNED TO THIS WELL 160 161.35	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. Mineral's Federal #1		19. PROPOSED DEPTH 1915'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DP, RT, GR, etc.) 6800' GL (est) This action is subject to technical and procedural review pursuant to 43 CFR 3165.3				22. APPROX. DATE WORK WILL START* ASAP	
23. and appeal pursuant to 43 CFR 3165.4 CEMENTING PROGRAM.					
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT ATTACHED	
9-7/8"	7"	20#	120'	53 cf (45 sx) circ. to surface	
5"	2-7/8"	6.5#	1915'	266 cf (225 sx) circ. to surface	

Plan to drill a 9-7/8" hole and set 120' of 7" OD, 20#, J-55 surface casing; then plan to drill a 5" hole to total depth with gel-water-mud program to test the Chacra formation. Plan to run IES log. If determined to be productive, will run 2-7/8" OD, 6.5# casing, cemented to surface. Will selectively perforate, frac, and clean out after frac.

RECEIVED

JUL 22 1993

OIL CON. DIV.

DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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. **Sherman Dugan** TITLE **Vice-President** DATE **6/28/93**
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to operations thereon.
CONDITIONS OF APPROVAL, IF ANY: **NMOOD**
APPROVED BY **AKG** DATE **JUL 20 1993**
DISTRICT MANAGER

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Dugan Production Corporation			Lease South Seas		Well No. 1
Unit Letter A	Section 6	Township 22 North	Range 7 West	County Sandoval	
Actual Footage Location of Well: 1100 feet from the North line and 1135 feet from the East line					
Ground level Elev. 6800 Est.	Producing Formation Chacra		Pool Undesignated	Dedicated Acreage: 160/160 Acres	
1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 interest 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 interest, has been approved by the Division.					
Section 6			OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature: <i>Sherman E. Dugan</i> Printed Name: Sherman E. Dugan Position: Vice-President Company: Dugan Production Corp. Date: 6/28/93		
			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 knowledge and belief. Date Surveyed: June 16, 1993 Signature & Seal of Professional Surveyor: <i>Edgar B. Risenhoover</i> Certificate No. 5979 Edgar B. Risenhoover		

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

Other _____
Reference map: USGS map
Lybrook, NM

≡ Cattleguards
// Fence cuts

Access road(s) (do) do not cross Fed/Ind land.