

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY30-045-25862  
5. LEASE, TRACT, OR OTHER SERIAL NO.  
NM 19816

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

6. IF INDIAN, NAME OF TRIBE NAME

7. UNIT ABBREVIATION NAME

8. FARM OR LEASE NAME

December Dream

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Basin Dakota

11. SEC., T., R., M., OR B.L.K.  
AND SURVEY OR AREA

C Sec. 7, T23N R9W

12. COUNTY OR PARISH 13. STATE

San Juan

NM

## 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

1060' FNL - 1670' FWL

At proposed prod. zone

RECEIVED

DEC 01 1983

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

6 1/2 miles southwest of Nageezi Trading Post

BUREAU OF LAND MANAGEMENT  
FARMINGTON RESOURCE AREA

## 15. DISTANCE FROM PROPOSED\*

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

1060'

## 16. NO. OF ACRES IN LEASE

320.72

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

W/ 320.72

## 18. DISTANCE FROM PROPOSED LOCATION\*

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

1 1/2 miles

## 19. PROPOSED DEPTH

5250'

## 20. ROTARY OR CABLE TOOLS

Rotary

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

6820' GL; 6832' RKB

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS"

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

ASAP

## 23.

PROPOSED CASING AND CEMENTING PROGRAM

This action is subject to administrative  
appeal pursuant to 30 CFR 290.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	24#	225'	147 cf to surface
7-7/8"	4-1/2"	10.5#	5250'	1414 cf in 2 stages

Plan to drill a 12 1/4" hole to set 225' of surface casing; then plan to drill to total depth with gel-water-mud program to test the Dakota formation. Plan to run IES and CDL logs. If deemed productive, will run 4 1/2" casing, selectively perforate, frac, clean out after frac, and complete well.

Gas is not dedicated.

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DEC 21 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

*Sherman E. Dugan*  
Sherman E. Dugan

TITLE

Geologist

DATE 11-29-83

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

APPROVED  
AS AMENDED

DATE

DEC 20 1983

*Danny R. Kish*  
AREA MANAGER  
FARMINGTON RESOURCE AREA

\*See 10-10-83, 10-20-83, 10-21-83

NMOC

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

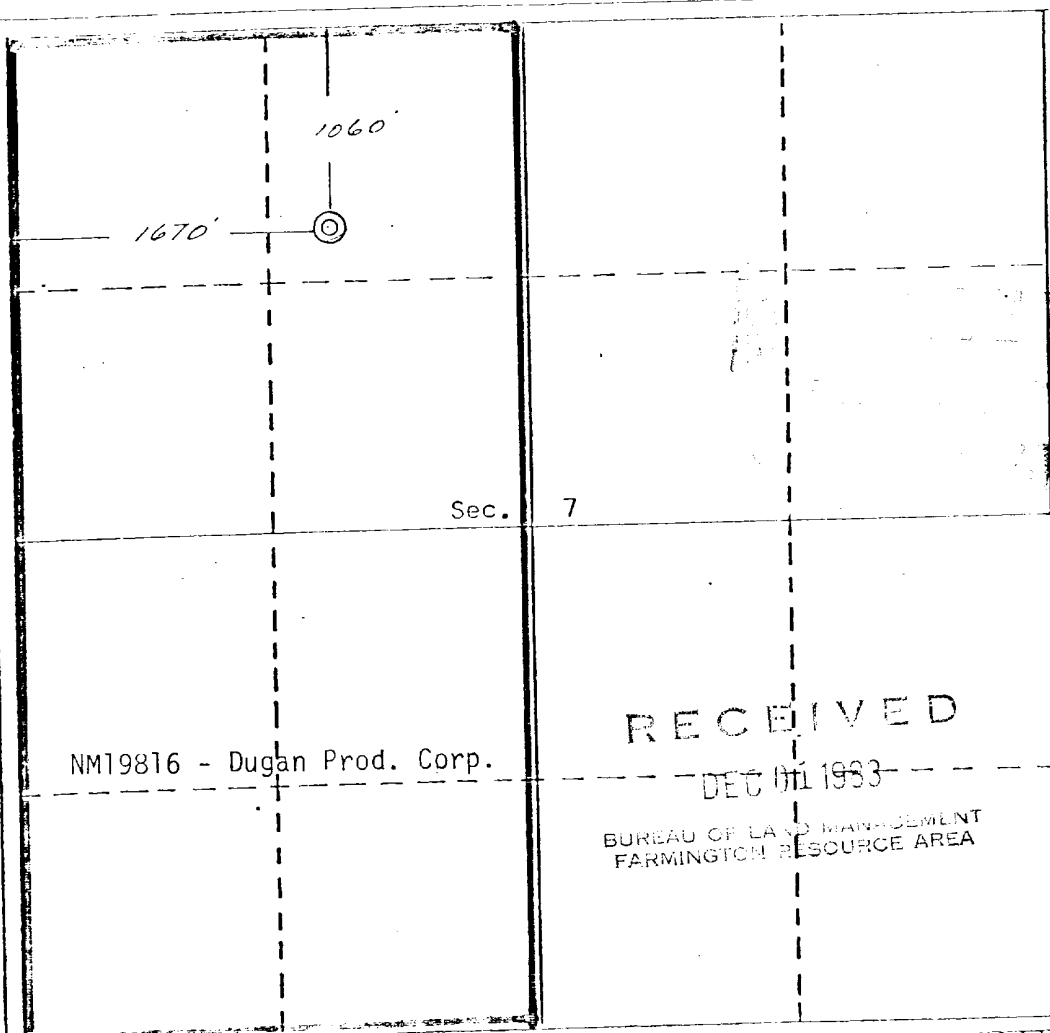
Operator <b>Dugan Production Corporation</b>		Lease <b>December Dream</b>		Well No. <b>1</b>
Unit Letter <b>C</b>	Section <b>7</b>	Township <b>23 North</b>	Range <b>9 West</b>	County <b>San Juan</b>
Actual Footage Location of Well:				
1060	feet from the	North	Line and	1670
feet from the				West
Ground Level Elev. <b>6820</b>	Producing Formation <b>Dakota</b>		Pool <b>Basin Dakota</b>	Dedicated Acreage: <b>320.72</b> 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 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.



#### CERTIFICATION

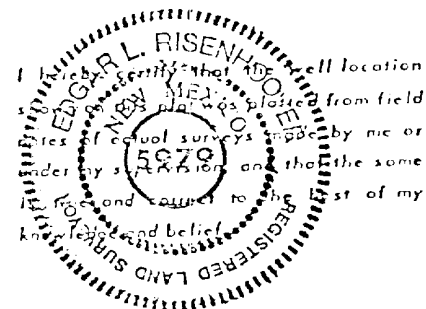
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Sherman E. Dugan*  
Name  
**Sherman E. Dugan**

Position  
**Geologist**

Company  
**Dugan Production Corp.**

Date  
**11-29-83**

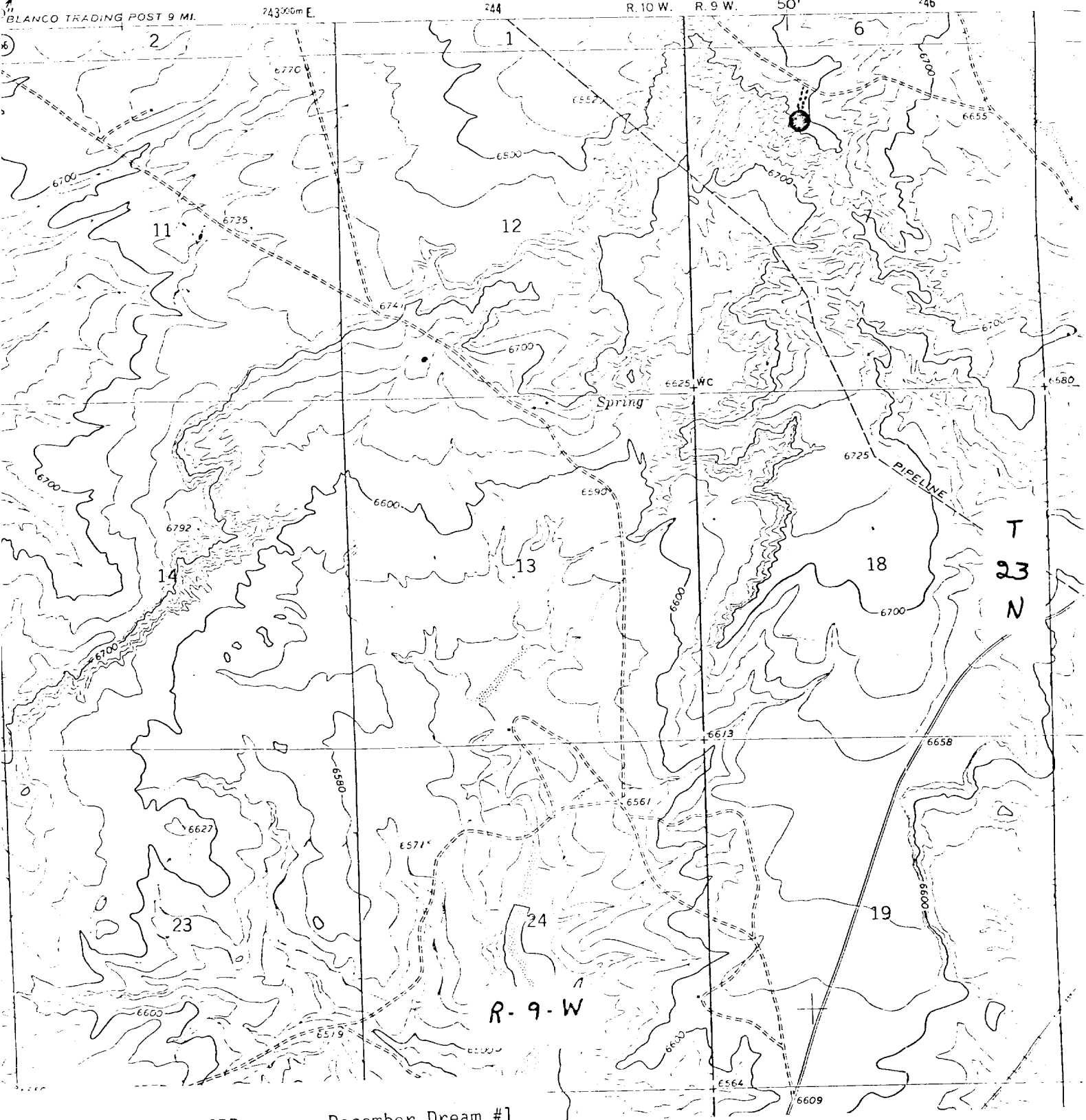


Date Surveyed  
**November 1, 1983**

Registered Professional Engineer  
and/or Land Surveyor

*Edgar L. Risenhoover*  
Certificate No. **5979**  
**Edgar L. Risenhoover, L.S.**

UNITED STATES  
PARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY



DUGAN PRODUCTION CORP. December Dream #1  
Existing Roads Exhibit E  
Distance from nearest town or reference pt.  
6½ miles southwest of Nageezi Trading Post  
Type of surface Dirt  
Good

DUGAN PRODUCTION CORP. December Dream #1  
Planned Access Road(s) Exhibit E  
Width 15' Maximum grades None  
Drainage design 6' cut, to be moved east  
Cuts & Fills on site  
Surfacing material on site