

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

2290' FSL - 710' FWL

At proposed prod. zone

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

4 miles SW Nageezi, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

350'

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.approx. 1800'
SE DPC April

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

6636' GL; 6648' RKB

23.

SIZE OF HOLE

SIZE OF CASING

WEIGHT PER FOOT

SETTING DEPTH

12-1/4"

8-5/8"

24#

200'

7-7/8"

4-1/2"

10.5#

4835'

Plan to drill a 12-1/4" hole and set 200' of 8-5/8" OD, 24#, J-55 surface casing;
then plan to drill a 7-7/8" hole to total depth with gel-water-mud program to test
Gallup formation. Plan to run IES and CDL logs. If determined productive, will
run 4-1/2", 10.5#, J-55 casing, selectively perforate, frac, clean out after frac &
complete well.

Gas is not dedicated.

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

TITLE

Geologist

DATE

9-2-86

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

"Approval of this action does
not warrant that the applicant
holds legal or equitable rights
or title to this lease."

NMOCC

*See Instructions On Reverse Side

APPROVED
AS AMENDED

FEB 26 1987

AREA MANAGER

RECEIVED

SEP 05 1986

BUREAU OF LAND MANAGEMENT-
FARMINGTON RESOURCE AREA

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED
TO THIS WELL

W80

19. PROPOSED DEPTH

4835'

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START*

ASAP

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.

159 cf circ. to surface

1534 cf circ. to surface

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.

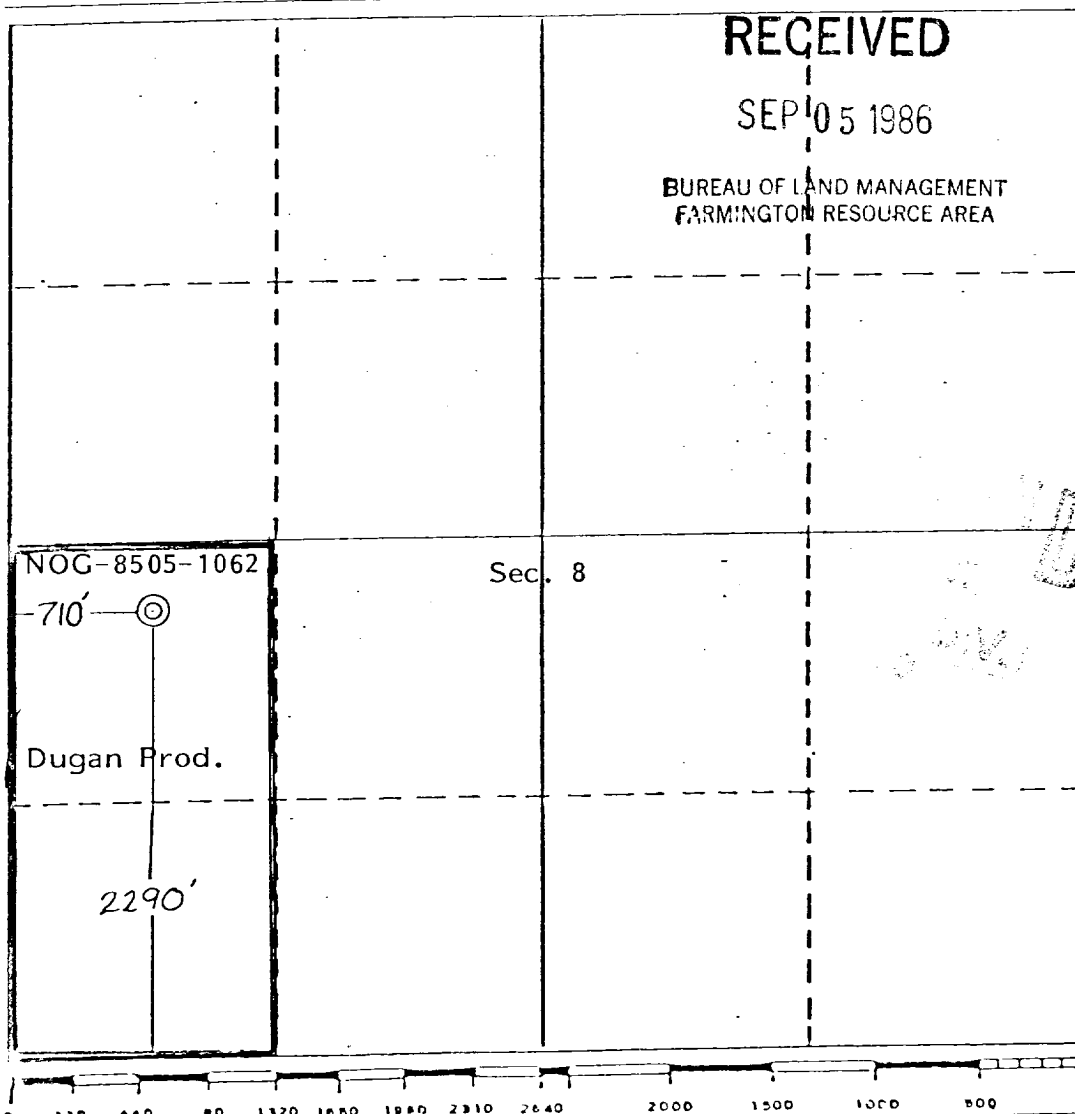
Operator DUGAN PRODUCTION CORP.			Lease Louie Louie		Well No. 1
Unit Letter L	Section 8	Township 23 North	Range 9 West	County San Juan	
Actual Footage Location of Well: 2290 feet from the South line and 710 feet from the West line					
Ground Level Elev. 6636'	Producing Formation Gallup		Pool Bisti Gallup South		Dedicated Acreage: 80 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.



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. DuganPosition
GeologistCompany
Dugan Production Corp.Date
9-2-86

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
8-18-86Registered Professional Engineer
and/or Land Surveyor

Thomas A. Dugan

Certificate No.
N.M. 2373

Vicinity of nearest town or reference pt.
4 miles SW of Nageezi, NM (See Exhibit V)

Type of surface dirt

Conditions good

Other

Reference map: USGS map Kimbeto, NM 1967

Width Maximum grades

Drainage design as needed

Cuts & Fills see attached

Surfacing material

Turnouts

Culverts

Gates

Cattleguards

Fence cuts

NO ACCESS
ROAD REQUIRED

proposed gas line

