

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

660' FSL - 1980' FEL

At proposed prod. zone

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

approx. 8 miles southwest of Bisti Trading Post

## 15. DISTANCE FROM PROPOSED\* 660'

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

## 18. DISTANCE FROM PROPOSED LOCATION\*

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

1867' to

DPC's Olympic #1

## 16. NO. OF ACRES IN LEASE

320 639.56

## 19. PROPOSED DEPTH

4810'

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

W80

## 20. ROTARY OR CABLE TOOLS

Rotary

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

6695' GL; 6707' RKB

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED

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

ASAP

## 23. "GENERAL REQUIREMENTS AND CEMENTING PROGRAM"

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

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#	4810'

159 cf circ. to surface  
1524 cf circ. to surface

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 and complete well.

Gas is dedicated.

RECEIVED  
APR 08 1987  
OIL CON. DIV.  
DIST. 2

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

3-30-87

(This space for Federal or State office use)

APPROVED  
AS AMENDED

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

APR 06 1987

Acting AREA MANAGER

NMOCG

\*See Instructions On Reverse Side

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

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

Operator Dugan Production Corporation			Lease Olympic		Well No. 2
Unit Letter 0	Section 3	Township 23 North	Range 10 West	County San Juan	
Actual Footage Location of Well: 660 feet from the South line and 1980 feet from the East line					
Ground Level Elev. 6695	Producing Formation Gallup	Pool South Bisti Gallup		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?

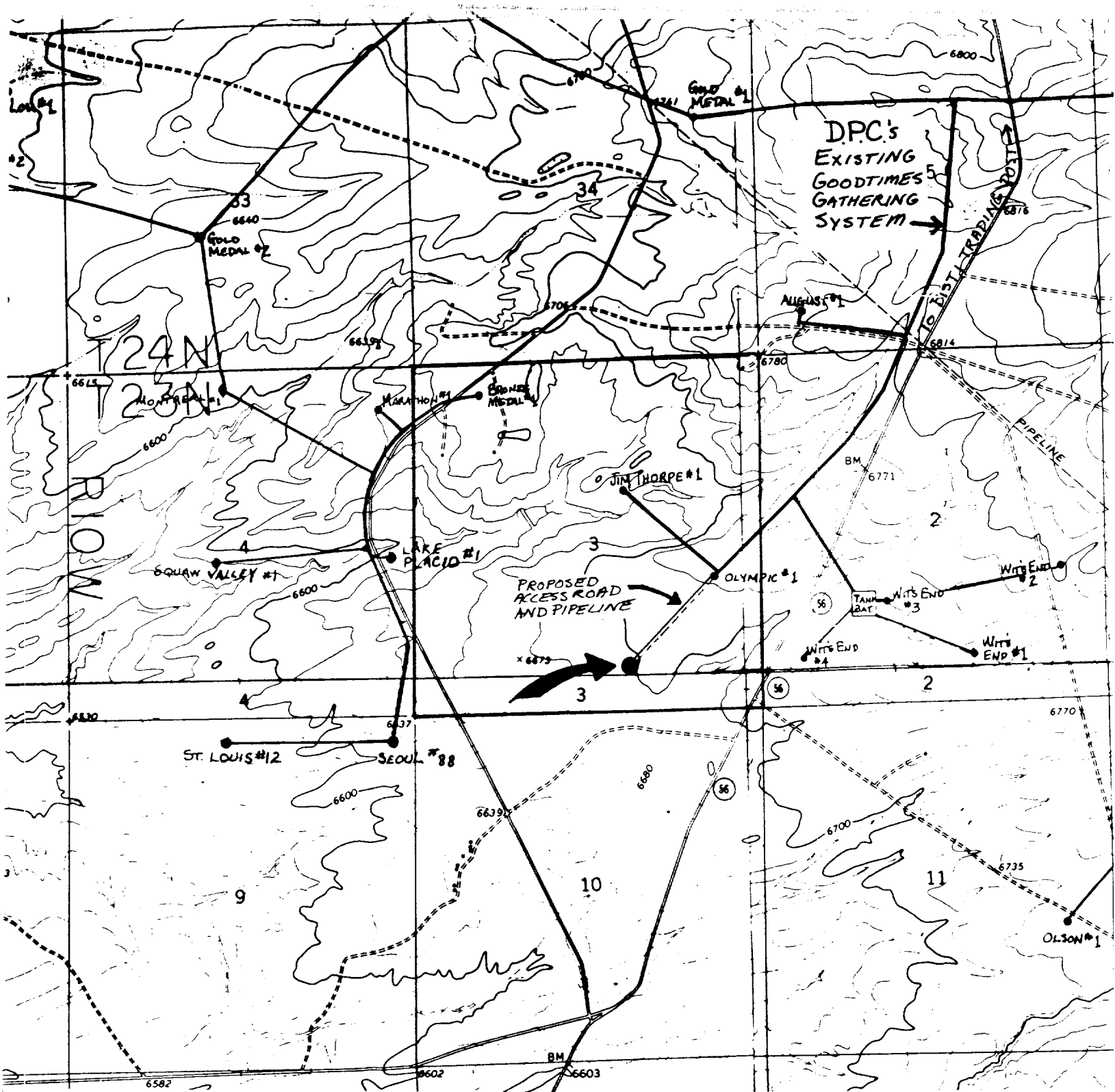
☐ Yes ☐ No If answer is "yes," type of consolidation \_\_\_\_\_

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.

<p>RECEIVED</p> <p>MAR 30 1987</p> <p>BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA</p>		<p>RECEIVED</p> <p>APR 08 1987</p> <p>OIL CON. DIV.</p> <p>DIST. 9</p>
<p>SEC. 3</p>		<p>Dugan Prod. Ls. #NM 23744</p> <p>1980'</p> <p>660</p>

<p>CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Sherman E. Dugan</i></p>	
Name	Sherman E. Dugan
Position	Geologist
Company	Dugan Production Corp.
Date	3-30-87
<p>EDGAR L. RISENHOOVER</p> <p>I have examined the well location shown on this plat and from field notes of 5979 days made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p>	
Date Surveyed	March 18, 1987
Registered Professional Engineer and/or Land Surveyor	
<p><i>Edgar L. Risenhoover</i></p> <p>Certificate No. 5979</p>	



DUGAN PRODUCTION CORP. - Olympic #2  
Existing Roads Exhibit E

Vicinity of nearest town or reference pt.  
8 miles southwest of Bisti Trading Post, NM  
(See Exhibit V)  
Type of surface dirt

Conditions good

Other \_\_\_\_\_

Reference map: USGS map Pueblo Bonito, NW  
1966 (7.5 minute series, topographic)

DUGAN PRODUCTION CORP. - Olympic #2  
Planned Access Road(s) Exhibit E

Width 20' Maximum grades 1%  
Drainage design as required  
Cuts & Fills see diagram  
Surfacing material none

- ☒ Turnouts
- ☒ Culverts
- ☒ Gates
- ☒ Cattleguards
- ☒ Fence cuts

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