

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYRECEIVED
BLM MAIL ROOM
APR 2 198830-045-26891
5. LEASE DESIGNATION AND SERIAL NO.
NM 42059

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐FARMINGTON PLUG BACK ☐
FARMINGTON PLUG BACK ☐
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b. TYPE OF WELL

OIL WELL ☒GAS WELL ☐OTHER ☐

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' FNL & 1980' FWL

At proposed prod. zone

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

approx. 9 1/2 miles SW of Blanco Trading Post

15. DISTANCE FROM PROPOSED*

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

660'

16. NO. OF ACRES IN LEASE

480 2118.04

17. NO. OF ACRES ASSIGNED
TO THIS WELL

80 2 79 88

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.1867' from
Champ #2

19. PROPOSED DEPTH

4720'

20. ROTARY OR CABLE TOOLS

Rotary

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

6575' GL

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED

22. APPROX. DATE WORK WILL START*

ASAP

23.

"GENERAL REQUIREMENTS"
PROPOSED CASING AND CEMENTING PROGRAMThis 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'	206 cu. ft. circ. to surface
7-7/8"	4-1/2"	10.5#	4720'	1519 cu. ft. 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 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

Jim L. Jacobs

TITLE

Vice-President

DATE

4-19-88

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

APPROVED
AS 4/19/88APR 22 1988
Orig. Sgd. Linda S. C. [Signature]
Acting Area Manager
AREA MANAGER

NMOC

*See Instructions On Reverse Side

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.

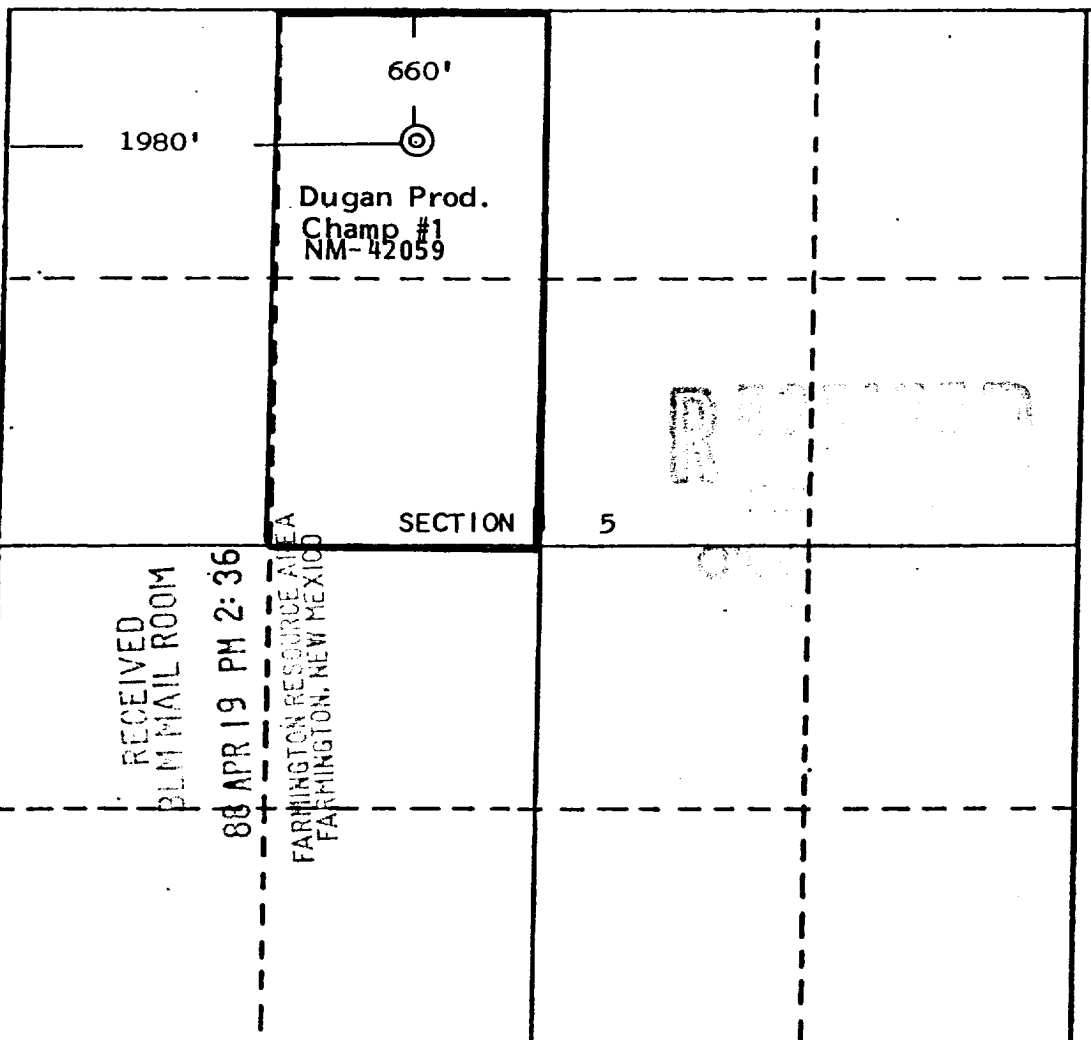

Operator Dugan Production Corporation		Lease Champ		Well No. 1	
Unit Letter C	Section 5	Township 23 North	Range 10 West	County San Juan	
Actual Footage Location of Well: 660 feet from the North line and 1980 feet from the West line					
Ground Level Elev. 6575	Producing Formation Gallup		Pool South Bisti Gallup		Dedicated Acreage: 80 59.88 Acres

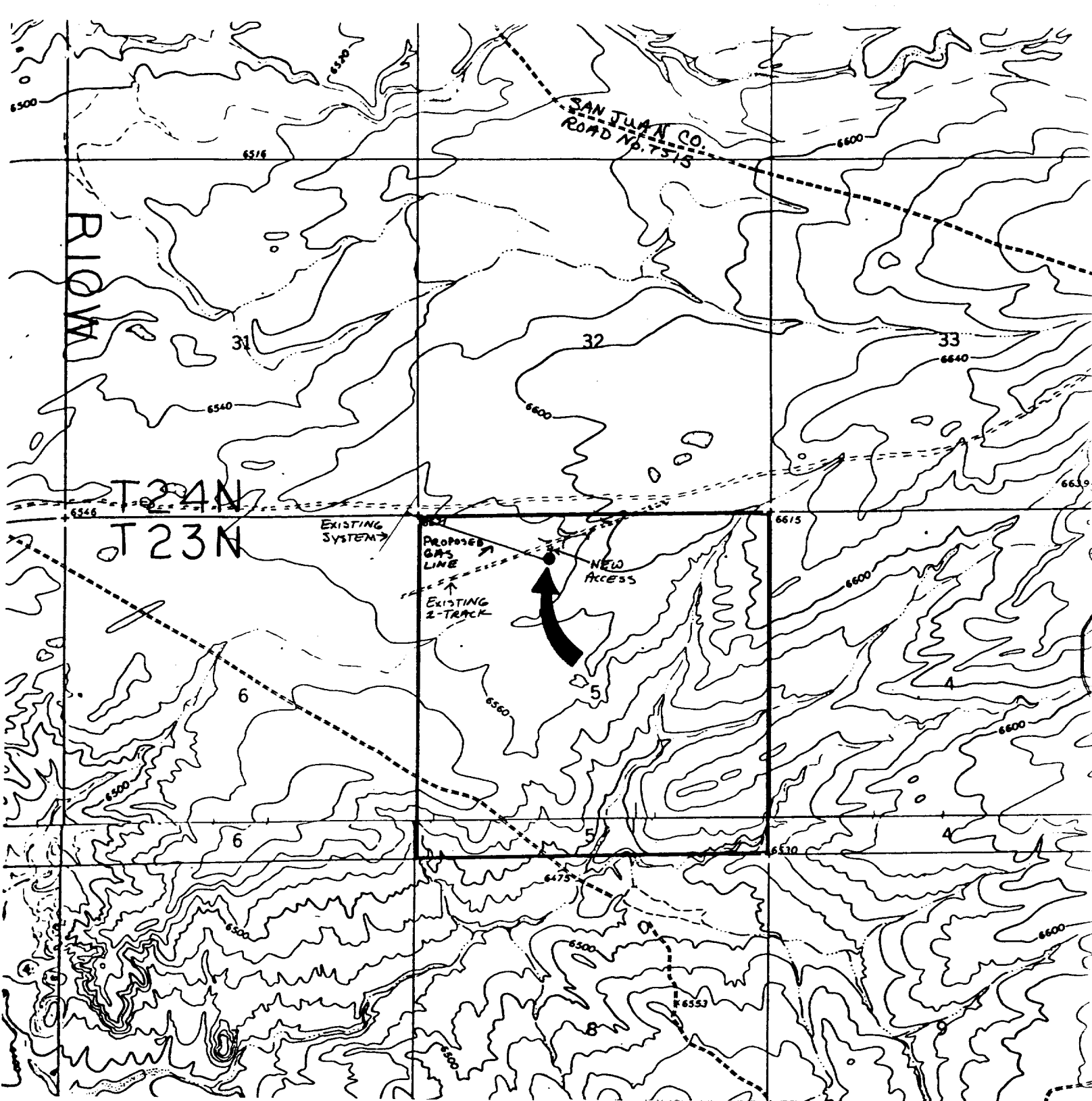
1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is 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. <i>Jim L. Jacobs</i> Name Jim L. Jacobs Position Geologist Company Dugan Production Corp. Date 4-19-88	
<p>RECEIVED PLM MAIL ROOM 88 APR 19 PM 2:36 FARMINGTON RESOURCE AREA FARMINGTON, NEW MEXICO</p>		 well location based from field notes or survey 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 December 11, 1987 Registered Professional Engineer and/or Land Surveyor <i>Edgar L. Risenhover</i>	



DUGAN PRODUCTION CORP. - Champ #1
Existing Roads Exhibit E

Vicinity of nearest town or reference pt.
9½ miles SW of Blanco Trading Post, NM

Type of surface dirt

Conditions good

Other _____

Reference map: USGS maps: Huerfano Trading
Post SW 1966; Pueblo Bonito NW, 1966

DUGAN PRODUCTION CORP. - Champ #1
Planned Access Road(s) Exhibit E

Width 25' Maximum grades 1%

Drainage design as required

Cuts & Fills see diagram

Surfacing material _____

Turnouts

Culverts

Gates

Cattleguards

Fence cuts

DRAINAGE

SEE EXHIBIT R
FOR TOTAL ACCESS

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