

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYRECEIVED
BLM MAIL ROOM30-245-26892
5. LEASE DESIGNATION AND SERIAL NO.

NM 42059

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME 37	
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>				7. UNIT AGREEMENT NAME	
2. NAME OF OPERATOR DUGAN PRODUCTION CORP.				8. FARM OR LEASE NAME Champ	
3. ADDRESS OF OPERATOR P.O. Box 208, Farmington, NM 87499				9. WELL NO. 2	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 1980' FNL & 660' FWL At proposed prod. zone				10. FIELD AND POOL, OR WILDCAT South Bisti Gallup	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 9 1/2 miles SW of Blanco Trading Post				11. SEC., T., R., M., OR S.E. AND SURVEY OR AREA Sec. 5, T23N, R10W, NMP	
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	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1866' from DPC's proposed Champ #1		19. PROPOSED DEPTH 4710'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6568' GL				22. APPROX. DATE WORK WILL START* ASAP	
23. PROPOSED CASING 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'	206 cu. ft. circ. to surface	
7-7/8"	4-1/2"	10.5#	4710'	1505 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.

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MAY 8 1988
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 <u>Jim L. Jacobs</u> TITLE <u>Vice-President</u> 4-19-88	
(This space for Federal or State office use)	
PERMIT NO. _____	APPROVAL DATE _____
APPROVED BY _____	TITLE _____
CONDITIONS OF APPROVAL, IF ANY:	

APR 26 1988
1000 Sgd. Linda S. C. Rumbach
Acting Area Manager
AREA MANAGER

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. 2
Unit Letter E	Section 5	Township 23 North	Range 10 West	County San Juan	
Actual Footage Location of Well: 1980 feet from the North line and 660 feet from the West line					
Ground Level Elev. 6568	Producing Formation Gallup		Pool South Bisti Gallup	Dedicated Acreage: 80 79.74 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.

1980'		
660' 		
Dugan Prod. NM-42059	SECTION 5	
RECEIVED ELM MAIL ROOM 88 APR 19 PM 2:37 FARMINGTON RESOURCE AREA FARMINGTON, NEW MEXICO		

CERTIFICATION

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

Name
Jim L. Jacobs

Position
Geologist

Company
Dugan Production Corp.

Date
4-19-88



Date Surveyed
December 11, 1987

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover
Certificate No. 5979

