

1 Celsius-Denver  
1 Celsius-SLCUNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY30-045-27981  
LEASE DESIGNATION AND SERIAL NO.

N00-C-14-20-7311

IF INDIAN, ALLOTTEE OR TRIBE NAME  
Navajo Allottee

UNIT AGREEMENT NAME

FARM OR LEASE NAME  
Lake PlacidWELL NO.  
2FIELD AND POOL, OR WILDCAT  
South Bisti GallupSEC., T., R., M., OR BLK.  
AND SURVEY OR AREA  
C Sec. 4, T23N, R10W, NMPMCOUNTY OR PARISH | STATE  
San Juan | NM

## 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 420, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

810' FSL &amp; 1830' FEL

At proposed prod. zone

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

approximately 8-1/2 miles SW of Blanco Trading Post, NM

15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

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

810'

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED

TO THIS WELL

w/ 80

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

approx. 2121'  
from Lake Placid#1

19. PROPOSED DEPTH

4730'

20. ROTARY OR CABLE TOOLS

Rotary

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

6615' GL; 6627' KB

This action is subject to technical and

22. APPROX. DATE WORK WILL START\*

ASAP

23. PROPOSED Casing and Cementing Program  
and appeal pursuant to 43 CFR 3165.3  
and appeal pursuant to 43 CFR 3165.4.

DRILLING OPERATIONS AUTHORIZED ARE

SUBJECT TO COMPLIANCE WITH ATTACHED

"GENERAL REQUIREMENTS"

159 c.f. circ. to surface

1512 c.f. circ. to surface

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#	4730'

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 with stage tool, selectively perforate, frac, clean out after frac and complete well.

NOTE: Original APD rescinded. Resubmitted for reapproval.

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

Vice-President

DATE

6-20-90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY

JUL 9 1990

OIL CON. DIV.  
DIST. 3

\*See Instructions On Reverse Side

APPROVED  
AS APT  
DATE

JUL 05 1990

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 Lake Placid		Well No. 2	
Unit Letter 0	Section 4	Township 23 North	Range 10 West	County San Juan	
Actual Footage Location of Well: 810 feet from the South line and 1830 feet from the East line					
Ground Level Elev. 6615	Producing Formation Gallup		Pool South Bisti Gallup		Dedicated Acreage: 80 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.

SECTION 4		RECEIVED JUL 9 1990 OIL CON. DIV. DIST. 3	
		Dugan Prod. NOO-C-14-20- 7311 810' 1830'	

## 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

11-10-87

I hereby certify that the well location shown on this plat was obtained from field notes or other reliable source made by me or under my supervision and that the same is correct to the best of my knowledge.

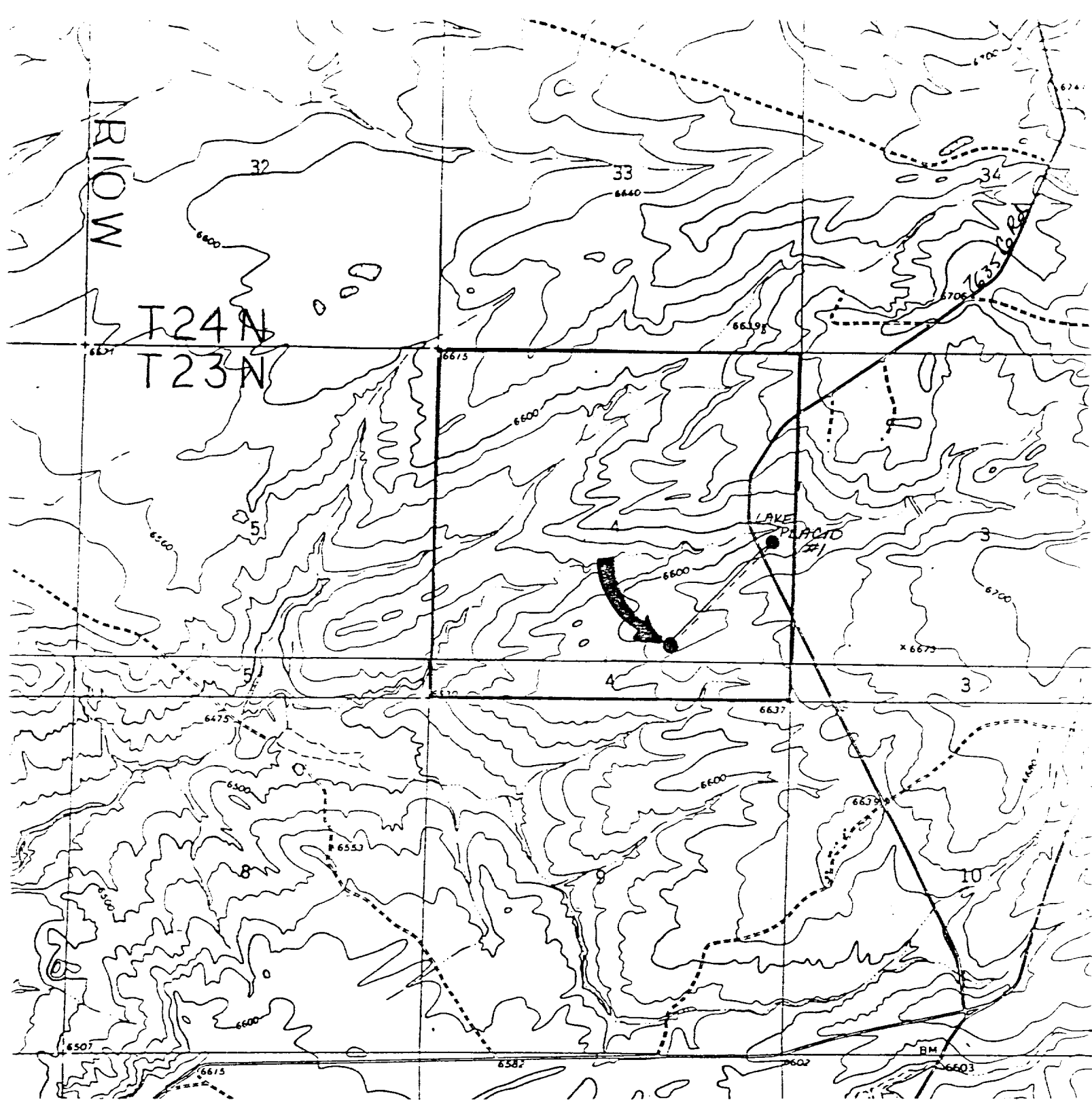
Date Surveyed

October 7, 1987

Registered Professional Engineer  
and/or Land Surveyor

Edgar L. Risenhoover

Certificate No. 5979



DUGAN PRODUCTION CORP. - Lake Placid #2  
Existing Roads Exhibit E

Vicinity of nearest town or reference pt.  
approx. 8½ miles SW of Blanco Trading Post, NM

Type of surface dirt

Conditions good

Other \_\_\_\_\_

Reference map: USGS map Huerfano Trading  
Post SW, 1966 (7.5 min series) and Pueblo

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

Width 20' Maximum grades 2%

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.