Submit to Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies

State of New Mexico Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

Form C-101

Revised 1-1-89

DISTRICT I P.O. Box 1980, Hobbs, NN	1 88240	P.O. Box 2088 Santa Fe, New Mexico 87504-2088		Y	API NO. (assigned by OCD on New Wells) $3c - 045 - 28533$				
DISTRICT II P.O. Drawer DD, Artesia, NM 88210					5. Indicate Type of Lease STATE X FEE				
DISTRICT III 1000 Rio Brazos Rd., Azie	6. State Oil & Gas Lease No. LH-174								
APPLICAT									
la. Type of Work:						7. Lease Name or Unit Agreement Name			
DRILL X RE-ENTER DEEPEN PLUG BACK D. Type of Well:						LH			
OIL GAS WELL	OTHER	SINGLE ZONE	MULTIPLE ZONE						
2. Name of Operator						8. Weli No.			
Dugan Producti	on Corp.				174				
3. Address of Operator P.O. Box 420, Farmington, NM 87499					9. Pool name or Wildcay Wer Wildcay Wer Wildcay Wer				
4. Well Location Unit Letter A: 570 Feet From The North Line and 645 Feet From The East Line						Line			
Section 32	Towns	hip 23N Ran	ige 8W	N.	mpm Sai	n Juan	~~~~~	County	
		//////////////////////////////////////		11 50	//////////////////////////////////////		//////////////////////////////////////		
11. Fo					Gallup		Rotary		
13. Elevations (Show whether	er DF, RT, GR, etc.)	4. Kind & Status Plug. Bond	15. Drilling Contra			16. Approx. D	ate Work will	ptart	
6770' GR		statewide	4 Corners	Dri	illing	asap			
17.	PR	OPOSED CASING AN	ID CEMENT PRO	OGR,	AM		40		
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPT	<u>н</u>	SACKS OF		EST.	ГОР	
12-1/4''	8-5/8''	24#	200'	\dashv		(159 cf)	surfa		
7-7/8''	4-1/2" 10.5# 4850"			825 sx	(1543 cf) surfa	ace		

Plan to drill a 12-1/4" hole and set 200' of 8-5/8" 0D, 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.

> APPROVAL EXPIRES UNLESS DRILLING IS COMMENCED. SPUD NOTICE MUST BE SUBMITTED

OIL CON. DIV

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: 12 PRO	SAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE	AND PROPOSED NEW PRODUCTIVE		
I hereby certify that the information above is true and complete to the best of m	y knowledge and belief.			
SIGNATURE IN 1 June	mr Vice-President	DATE4-3-91		
TYPE OR PRINT NAME JIM L. Jacobs		TELEPHONE NO.		
(This agrees for State Use) Original Signed by CHARLES GHOLSON	DEPUTY OIL & GAS HISPIKTOR, DIST. #3	APR 03 198		

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY.

Submit to Appropriate District Office State Lease - 4 copies Fee Lease - 3 copies

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II P.O. Drawer DD, Artesia, NM \$8210

DISTRICT III
1000 Rio Brazos Rd., Aziec, NM 87410

DISTRICT I P.O. Box 1980, Hobbs, NM \$1240

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

nania:					Lease	····			Well No.
Operator Dug	gan Pr	oduction	Corporatio	n ·		LH			174
Unit Letter	Section		Township		Range	 		County	
A		32		23 North		8 West	NMPM	1	San Juan
Actual Footage Loc	cation of	Well:			·	46			Eact
570		om the	North	line and		45	feet from	the	East line Dedicated Acreage:
Ground level Elev.			ing Formation		Pool				
6770		Gall	•	well by colored per	Wild		1 halom		40 Acres
2. If mor	re than o	ne lease is d	edicated to the w	ell, outline each and	d identify the o	waership thereof	(both as to worki		
If answerthis form	Yes or is "no" or if necce wable wil	essary	No I ers and tract dead to the well until	f answer is "yes" ty riptions which have all interests have b storest, has been ap	es actually been	consolidated. (L			coling, or otherwise)
					J	570 ©) 645' 	i her contained best of my i	LATOR CERTIFICATION reby certify that the information herein in true and complete to the mouladge and belief.
	Received Countries 645	<u> </u>				Dugan f Ls.#LH-	-174	risted Nat	lacobs
		! ! !				 		Company	President Production Corp. 1
		İ	Sect	ion 32		!		SUR	YEYOR CERTIFICATION
				A Company of the Comp	EGE APROS	991		on this pl actual su supervison	ertify that the well location shown at was plotted from field notes of weys made by me or under my , and that the same is true and the best of my knowledge and
					THE]. 		Dote Surv	yed March 28, 1991
								6-13	March 28, 1991 Soil of RISEN MEX No. 5-79 RISEN RISEN MEX OBJ 03
							***		The Carried States
0 330 660	990	1320 165	0 1960 2310	2640 20	000 1500	1000	500 0		TO VALLE OF THE PARTY.