

UNITED STATES  
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		1b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>	
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 1980' FNL S 660' FWL At proposed prod. zone					
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 4 miles southeast of 44 Store, NM					
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		660'		16. NO. OF ACRES IN LEASE 1680	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		---		19. PROPOSED DEPTH 4895'	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6782' GL				22. APPROX. DATE WORK WILL START* ASAP	
23. PROPOSED CASING AND CEMENTING PROGRAM					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
12-1/4"	8-5/8"	24#	±200'	159 c.f. circ. to surface	
7-7/8"	4-1/2"	10.5#	4895'	1557 c.f. 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 the 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.

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MAY 29 1991

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 Sherman E. Dugan TITLE Vice-President DATE 4-30-91  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_APPROVED  
AS AMENDEDMAY 24 1991  
DATE  
AREA MANAGER

Submit to Appropriate  
District Office  
State Lease - 4 copies  
For 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

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BLM

91 MAY -2 PM 3:50

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

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

619 FARMINGTON, N.M.

Operator Dugan Production Corporation			Lease The Bear		Well No. 2
Unit Letter E	Section 34	Township 23 North	Range 8 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. 6782		Producing Formation Gallup		Pool Wildcat Gallup	Dedicated Acreage: 40 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 interest 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 interest, has been approved by the Division.

OPERATOR CERTIFICATION

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

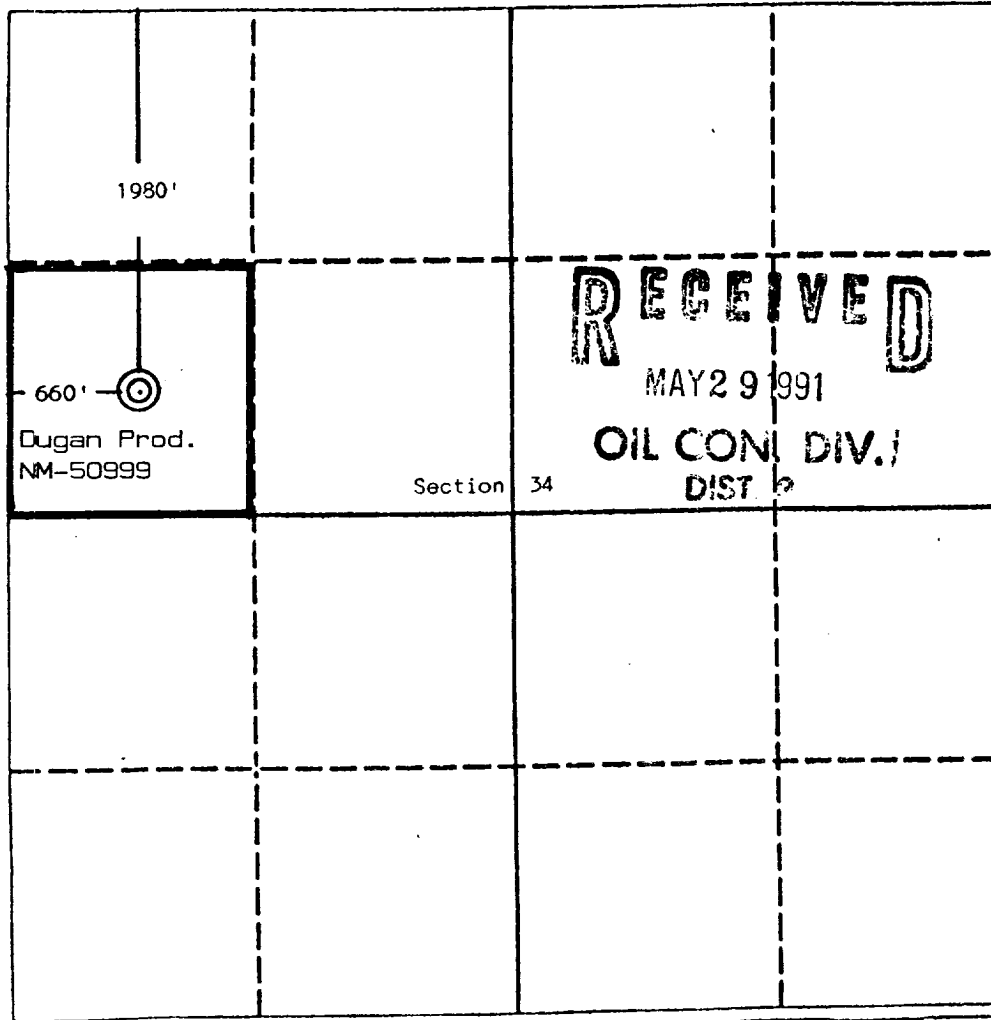
Signature: *Sherman E. Dugan*  
Printed Name: Sherman E. Dugan  
Position: Vice-President  
Company: Dugan Production Corp.  
Date: 4-26-91

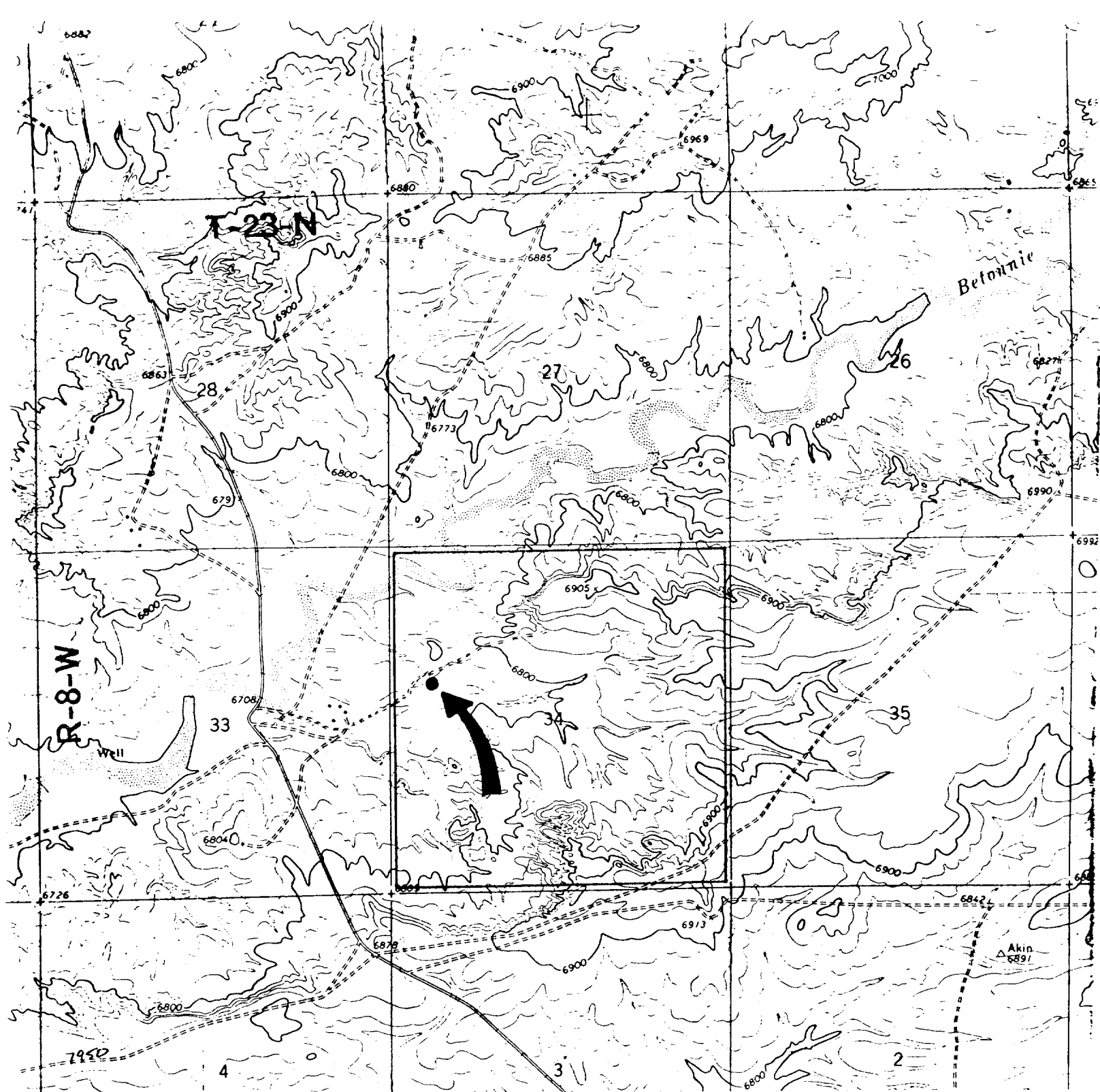
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys 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: March 26, 1991

Signature & Seal of Professional Surveyor:  
*Edgar L. Risenhoover*  
Edgar L. Risenhoover  
NEW MEXICO  
1979  
5990





### Existing Roads

### Exhibit E

Vicinity of nearest town or reference pt.  
 Approx. 4 miles SE of 44 Store, NM

Type of surface dirt

Conditions good

Other \_\_\_\_\_

Reference map: USGS map

Lybrook NW, New Mexico 1966

### Planned Access Road(s)

### Exhibit E

Width \_\_\_\_\_ Maximum grades \_\_\_\_\_

Drainage design \_\_\_\_\_

Cuts & Fills \_\_\_\_\_

Surfacing material \_\_\_\_\_

↳ Turnouts

↳ Culverts

↳ Gates

↳ Cattleguards

↳ Fence cuts

↳ Waterbars

**NO NEW ACCESS ROAD**

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