la. TYPE OF WORK

b. TYPE OF WELL. WELL X

2. NAME OF OPERATO

3. ADDRESS OF OPERATOR

6 BLM 1 File

SUBMIT IN TRIPLICATE.

Form approved, Budget Bureau No. 42-R1425.

(Other instructions on UNITED STATES reverse side) DEPARTMENT OF THE INTERIOR 5. LEASE DESIGNATION AND SERIAL NO. GEOLOGICAL SURVEY <u>NM 22044</u> 6. IE INDIAN, ALLOTTEE OR TRIBE NAME APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK 7. UNIT AGREEMENT NAME DRILL X DEEPEN PLUG BACK [MULTIPLE 8. FARM OR LEASE NAME X Gold Medal DUGAN PRODUCTION CORP. 9. WELL NO. 5. 3.3 10. FIELD AND POOL, OR WILDCAT P.O. Box 208, Farmington, NM 87499 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) South Bisti Gallup FX 660' FSL ε 1980' FEL 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA At proposed prod. zone Sec. 31, T24N, R10W, NMPM 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 12. COUNTY OR PARISH | 13. STATE approx. 9½ miles SW of Blanco Trading Post, NM San Juan ·NM

15. DISTANCE FROM PROPUSED* 16. NO. OF ACRES IN LEASE NO. OF ACRES ASSIGNED LOCATION TO NEAREST DOU'
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig, unit line, if any) TO THIS WELL 1594.4 -iN/80 18. DISTANCE FROM PROPOSED LOCATION approx. 1867 TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. from Gold Medal#3 19. PROPOSED DEPTH 20. ROTARY OR CABLE TOOLS Rotary

22. APPROX. DATE WORK WILL START* 6582' RKB procedural review purchase to the Office Stuff is **ASAP** $\overline{23}$ End SOP PROPOSED CASING AND CEMENTING PROGRAM DRILLING OPERATIONS AUTHORIZED ARE

SUBJECT TO COMPLIANCE WITH ATTACHED SIZE OF HOLE SIZE OF CASING WRIGHT PER FOOT SETTING DEPTH "GENERAL PREOUTREMENTS" 12-1/4" 8-5/8" 24# 200 159 cf circ. to surface 7-7/8" 4-1/2" 10.5# 1497 cf circ. to surface 473**0'**

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.

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

reventer program, it any.		
Sherman P. Dugan	Geologist	9-29-87
(This space for Federal or State office use)		
PERMIT NO.	APPROVAL DATE	Abanoved—
APPROVED BY	TITLE	DATE

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/s/ Arlan 8. Hiner

MIN OCCUPA

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Edgar L. Risenhoover, L.S.

P. O. BOX 2088 Revised 10-1-78 SANTA FE, NEW MEXICO 87501 ENERGY-MO MINERALS DEPARTMENT All distances must be from the outer boundaries of the Section. Well No. peralar Gold Medal Dugan Production Corporation County Hanos Juli Leller Section San Juan 24 North 10 West 31 ictual Footage Location of Well; 660 1980 East feet from the South line feet from the line and Dedicated Acreage: round Level Elev. Producing Formation South Bisti Gallup アメナ Acres Gallup 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? If answer is "yes," type of consolidation _ Yes 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 comtained herein is true and complete to the best of my knowledge and belief. Nome Dugan Sherman E. Dugan Production Corp. Geologist 9-29-87 31 SECTION OCT 0 71987. OI CON. DIV. Dugan Prod. NM 22044 Date Surveyed September 15, 1987 1980 Registered Professional Engineer 660

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DUC Ex	GAN PRODUCTION CORP Gold Medal #5 exhibit #E	DUGAN PRODUCTION CORP Gold Medal #5 Planned Access Road(s)  Exhii t E
9½ r	cinity of nearest town or reference pt. niles SW of Blanco Trading Post, NM	Width 20' Maximum grades 1% Drainage design as required
	pe of surface dirt	Cuts & Fills <u>See Cut &amp; Fill Diagram</u> Surfacing material <u>none</u>
	ditions good	つ Turnouts ト⊐Culverts
٠	her	<pre></pre>
1,2	ference man: USGS mans: Huerfano Trading	Fence cuts
	st SW, 1966 (7.5 min series) and Pueblo	Access road(s) do do not cross (Fed) Ind land.