

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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. 6515

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

800' FSL & 1700' FWL
At proposed prod. zone

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

approx. 8 miles southwest 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)

800'

16. NO. OF ACRES IN LEASE

2005.58

17. NO. OF ACRES ASSIGNED

TO THIS WELL 160

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIC FOR. ON THIS LEASE, FT.

N/A

19. PROPOSED DEPTH

1490'

20. ROTARY OR CABLE TOOLS

Rotary

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

6712' GL

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3

and subject pursuant to 43 CFR 3165.4

PROPOSED CASING AND CEMENTING PROGRAM

22. APPROX. DATE WORK WILL START*

ASAP

23. DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-7/8"	7"	20#	90'	40 sx (48 cu.ft.) circ. to surf.
6-1/4"	4-1/2"	10.5#	1490'	130 sx (229 c.f.) circ. to surf.

Plan to drill a 9-7/8" hole and set 90' of 7" OD, 20#, J-55 surface casing;
then plan to drill a 6 1/4" hole to total depth with gel-water-mud program to
test Pictured Cliffs 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.

RECEIVED

SEP 13 1990

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

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

NMOCD

*See Instructions On Reverse Side

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 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

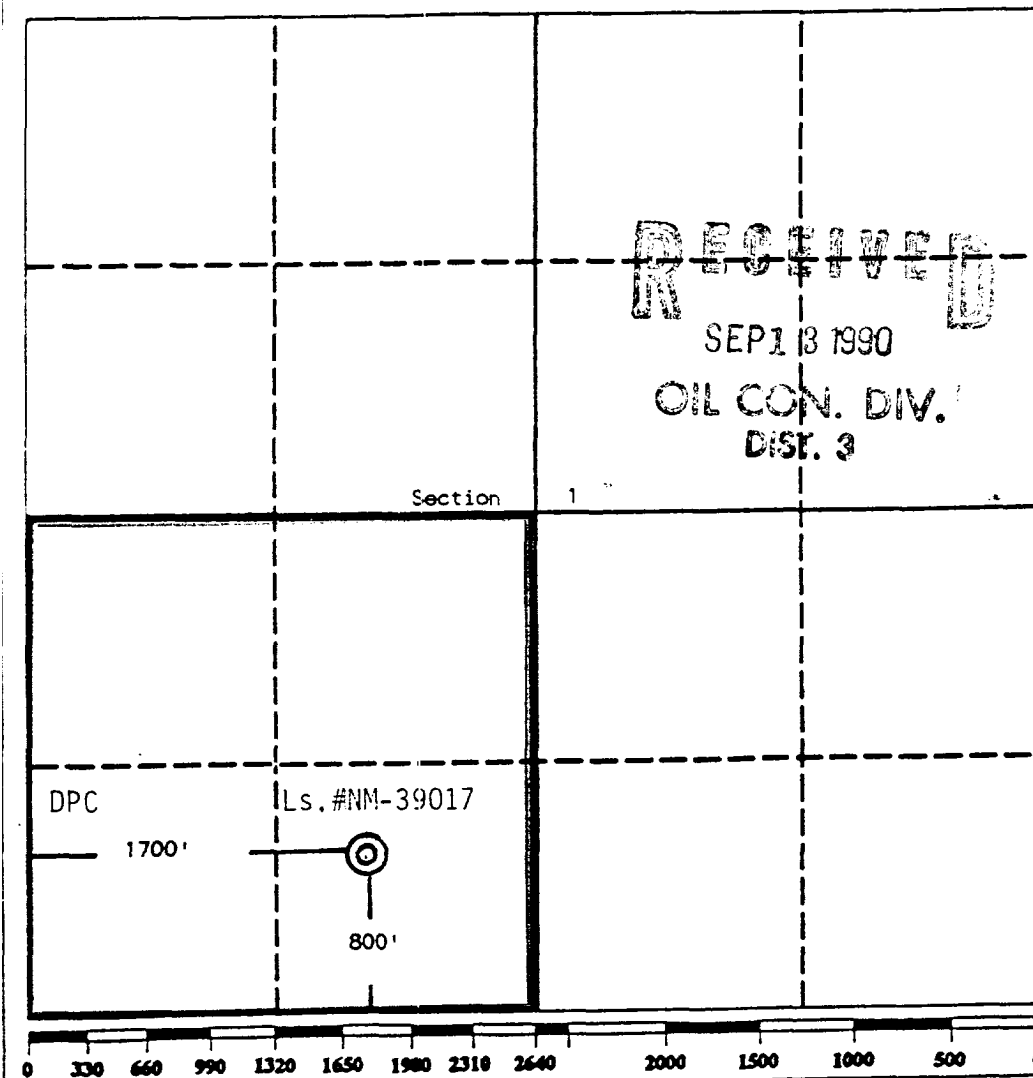
WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Dugan Production Corporation			Lease Sesame Street		Well No. 1
Unit Letter N	Section 1	Township 24 North	Range 11 West	County NMPM	San Juan

Actual Footage Location of Well: 800 feet from the South line and 1700 feet from the West line					
Ground level Elev. 6712	Producing Formation Pictured Cliffs		Pool Wildcat Pictured Cliffs		Dedicated Acreage: 160 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 <i>Sherman E. Dugan</i>
Printed Name Sherman E. Dugan
Position Vice-President
Company Dugan Production Corp.
Date 8-27-90

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 July 23, 1990
Signature & Seal of Professional Surveyor <i>Edgar L. Risenhoover</i> Professional Surveyor NEW MEXICO Certificate No. 5979 Edgar L. Risenhoover