

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☐

GAS
WELL ☒

OTHER ☐

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

DUGAN PRODUCTION CORP.

3. ADDRESS AND TELEPHONE NO.

P.O. Box 420, Farmington, NM 87499

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

At surface

1555' FSL & 1850' FWL

At proposed prod. zone

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

approx. 2 miles NE of Nageezi, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

1555'

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

approx. 1750'
from Adobe A#1

16. NO. OF ACRES IN LEASE

1600

19. PROPOSED DEPTH

1920'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

5/320

20. ROTARY OR CABLE TOOLS

Rotary

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

✓6972' (est) GL

22. APPROX. DATE WORK WILL START*

ASAP

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-7/8"	7"	20#	120'	50 sx (59 cu.ft.) circ. to surf.
6-1/4"	4 1/2"	10.5#	1920'	215sx (389 cu.ft.) circ. to surf.

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REGULATIONS"

Plan to drill a 9-7/8" hole and set 120' 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 the Fruitland Coal 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

APR 24 1995

OIL COM.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.

SIGNER

Sherman E. Dugan

TITLE

Vice-President

DATE

3-6-95

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

DATE

APR 19 1995

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the
United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

DISTRICT MANAGER

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-29235		Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code 003828	Property Name Sapp		Well Number 91
OGRID No. 006515	Operator Name Dugan Production Corporation		Elevation 6972' Estimated



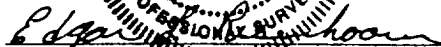
¹⁰ Surface Location

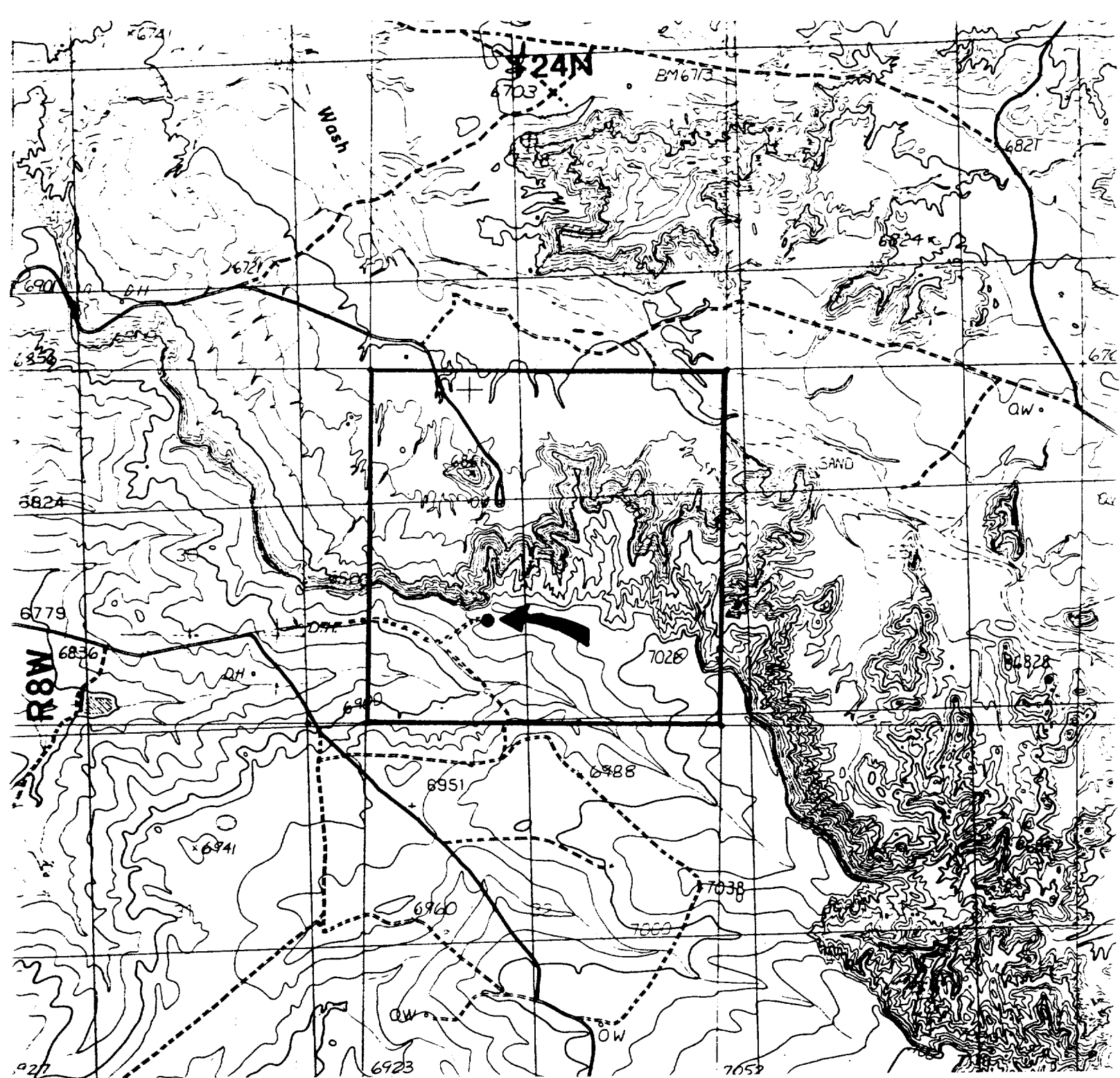
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	29	24N	8W		1555	South	1850	West	San Juan

" Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<input checked="" type="checkbox"/> Dedicated Acres 320	<input type="checkbox"/> Joint or Infill	<input type="checkbox"/> Consolidation Code		<input type="checkbox"/> Order No.					

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

16				<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p></p> <p>Signature _____</p> <p>Sherman E. Dugan</p> <p>Printed Name _____</p> <p>Vice-President</p> <p>Title _____</p> <p>3/6/95</p> <p>Date _____</p>
Dugan Production SF-078868	Section 29	RECEIVED APR 24 1995 OIL CON. DIV. DIST. 3		<p>18 SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>December 20, 1994</p> <p>Date of Survey _____</p> <p>Signature and Professional Surveyor's Seal: </p> <p></p> <p>Certificate Number _____</p>



Existing Roads

Exhibit E

Vicinity of nearest town or reference pt.
approx. 2 miles NE of Nageezi, NM

Type of surface dirt

Conditions good

Other _____

Reference map: USGS map

Crow Mesa West, NM

Planned Access Road(s)

Exhibit E

Width 20' Maximum grades 4%

Drainage design as required

Cuts & Fills as required

Surfacing material none

☒ Turnouts

☐ Culverts

☒ Gates

☐ Cattleguards

☐ Fence cuts

☐ Waterbars

☐ Access Road &
Pipeline

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