

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. NCO-C-1420-4310		
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME Navajo Allotted		
2. NAME OF OPERATOR DUGAN PRODUCTION CORP. 6515			7. UNIT AGREEMENT NAME		
3. ADDRESS AND TELEPHONE NO. P.O. Box 420, Farmington, NM 87499			8. FARMOR LEASE NAME, WELL NO. Kaibab Trail #90 3729		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 990' FSL & 1850' FWL (SE/4 SW/4) At proposed prod. zone			9. API WELL NO. 30-045-29393		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 3 miles NE of Nageezi Trading Post, NM			10. FIELD AND POOL, OR WILDCAT Basin Fruitland Coal 71629		
16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 790'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Unit N, Sec. 20, T24N, R8W		
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. Kaibab Trail #1 1079' from			12. COUNTY OR PARISH San Juan		
20. PROPOSED DEPTH 1730'			13. STATE NM		
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#	1730'	195 sx (348 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 CONDITIONS AND PROCEDURES ARE SUBJECT TO OPERATIONAL WITH ATTACHED "GENERAL REQUIREMENTS"

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.

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.

SIGNED Sherman E. Dugan TITLE Vice-President DATE 3/2/95  
(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 NMOC TITLE DISTRICT MANAGER DATE JUL 24 1996

\*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, agency, or officer of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

District II

PO Drawer DD, Artesia, NM 88211-0719

District III

1800 Rio Brazos Rd., Aztec, NM 87410

District IV

PO Box 2082, Santa Fe, NM 87504-2082

OIL CONSERVATION DIVISION

PO Box 2088

Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 AFI Number <u>30-045-29393</u>		2 Pool Code 71629		3 Pool Name Basin Fruitland Coal		
4 Property Code 003729		5 Property Name Kaibab Trail			6 Well Number 90	
7 OGRID No. 006515		8 Operator Name Dugan Production Corporation			9 Elevation 6685' 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
N	20	24N	8W		990	South	1850	West	San Juan

11 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

12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No. will be communitized
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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 Dugan Prod. NM-83507				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  <u>Sherman E. Dugan</u> Signature Sherman E. Dugan Printed Name Vice-President Title 3/2/95 Date	
Dugan Prod. NOO-C-14-20-4310		Section 20		18 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 belief.  January 9, 1995 Date of Survey Signature and Seal of Surveyor: <u>Edgar L. Eisenhower</u> NEW MEXICO 5979 Certification Number	