

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		93 JUN 19 PM 1:26	
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"/>	
2. NAME OF OPERATOR DUGAN PRODUCTION CORP.		006515	
3. ADDRESS AND TELEPHONE NO. P.O. Box 420, Farmington, NM 87499		6. LEASE DESIGNATION AND SERIAL NO. NM 97108	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1310' FSL & 790' FWL (SW/4 SW/4) At proposed prod. zone		7. UNIT AGREEMENT NAME	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approx. 2 mi. SW of Blanco Trading Post, NM		8. FARM OR LEASE NAME, WELL NO. Sanchez O'Brien #90 22181	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 790'		9. AM WELL NO. 30.045 - 29636	
16. NO. OF ACRES IN LEASE 925.93		10. FIELD AND POOL, OR WILDCAT Basin Fruitland Coal 71629	
17. NO. OF ACRES ASSIGNED TO THIS WELL 11/320 329.60		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Unit M Sec. 6, T24N, R9W	
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. Approx. 395' from DPC Sanchez O'Brien #1 1860'		12. COUNTY OR PARISH San Juan	
19. PROPOSED DEPTH 1860'		13. STATE NM	
20. ROTARY OR OTHER TOOLS Rotary		22. APPROX. DATE WORK WILL START* ASAP	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6832' GR(est)			

23. 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'	50sx (59 cu.ft.) circ. to surf.
6-1/4"	4 1/2"	10.5#	1860'	210sx (378 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 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.

24.

SIGNED

TITLE

Vice-President

DATE June 16, 1998

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

JUL 10 1998

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 7/10/98

*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.

☐ AMENDED REPORT

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

98 JUN 19 PM 1:26

WELL LOCATION AND ACREAGE DEDICATION PLAT

' API Number 30-045-29636	' Pool Code 71629	' Pool Name Basin Fruitland Coal
' Property Code 22181	' Property Name Sanchez O'Brien	' Well Number 90
' OGRID No. 006515	' Operator Name Dugan Production Corporation	' Elevation 6832' Estimated

¹⁰ Surface Location

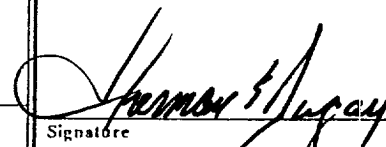
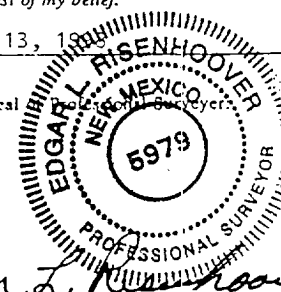

UL, or lot/no.	Section	Township	Range	Lat Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	6	24N	9W	M	1310	South	790	West	San Juan

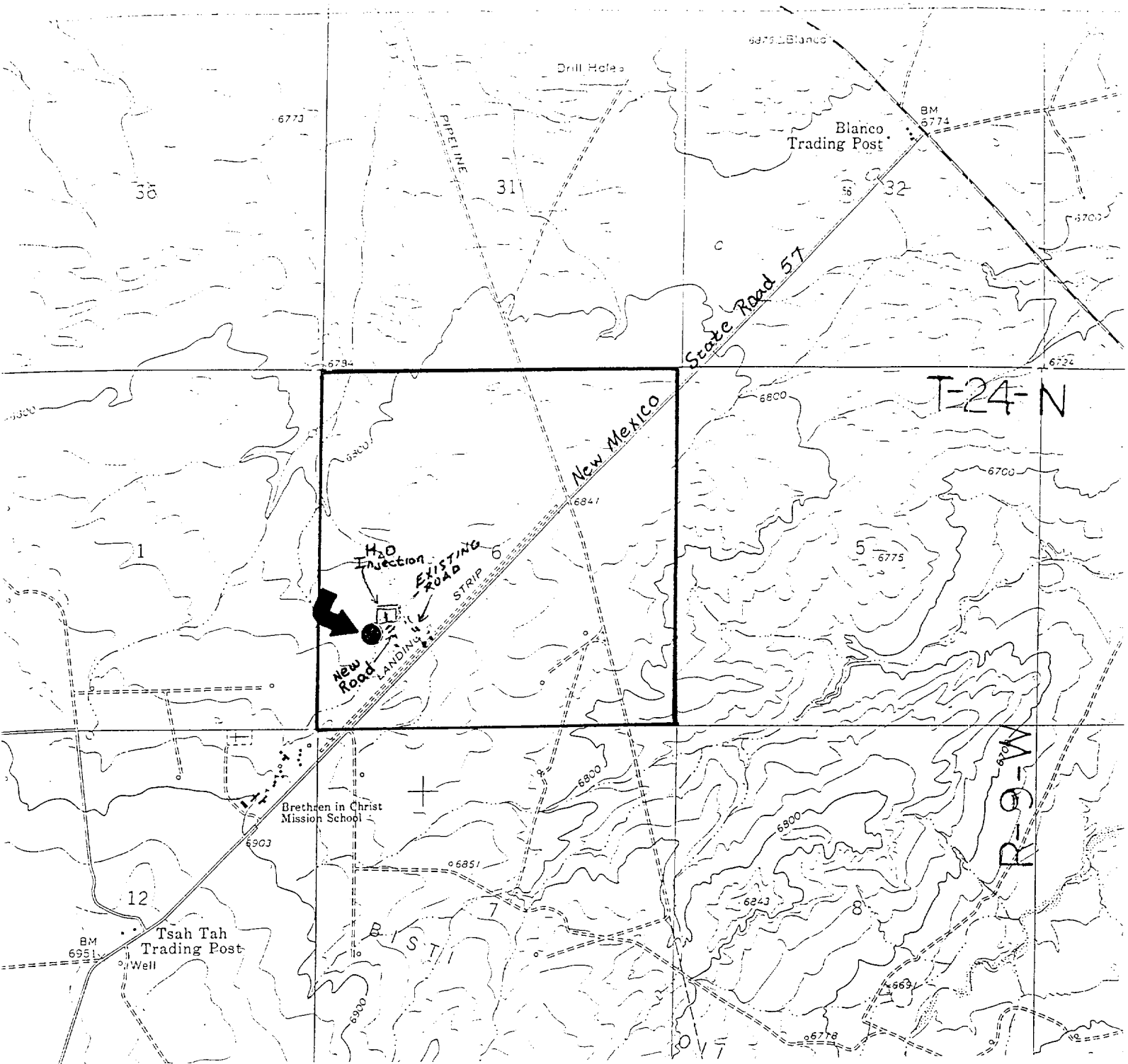
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
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12 Dedicated Acres 328	13 Joint or Infill 24	14 Consolidation Code	15 Order No.
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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					17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  Signature Sherman E. Dugan Printed Name Vice-President Title June 16, 1998 Date
		Section 6			
Dugan Prod. NM 97108					18 SURVEYOR CERTIFICATION <i>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.</i> Date of Survey May 13, 1998 Signature and Seal of Professional Surveyor:  Certificate Number 5910
790' 					
1310'					



Existing Roads

Exhibit E

Vicinity of nearest town or reference pt.
Approx. 2 mi SW of Blanco Trading Post, NM

Type of surface dirt

Conditions good

Other _____

Reference map: USGS map Blanco Trading Post, NM

Dugan Production Corp.

Sanchez O'Brien #90

Planned Access Road(s)

Exhibit E

Width 20' Maximum grades 1%

Drainage design as required

Cuts & Fills as required

Surfacing material none

☒ Turnouts

☐ Culverts

☒ Gates

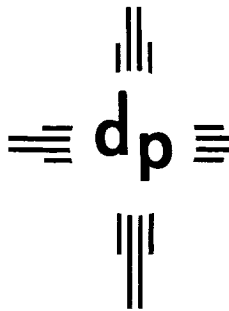
☒ Cattleguards

☒ Fence cuts

☒ Waterbars

☒ Access Road & Pipeline

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

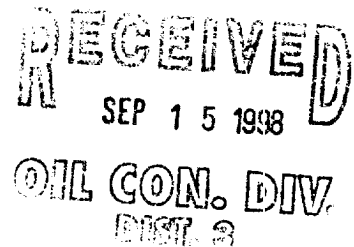


dugan production corp.

September 14, 1998

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

Re: Dugan Production Corp.
Sanchez O'Brien #90
API #30 045 29636
Unit M, Sec. 6, T24N, R9W
San Juan County, NM



Gentlemen:

Below are the deviations reported by the drilling contractor for the subject well:

1/2° @ 500'
3/4° @ 1000'
3/4° @ 1500'
1° @ 1860'

Sincerely,

John Alexander
Vice-President

JA/tmf

State of New Mexico)
County of San Juan)^{ss}

Subscribed and sworn to before me this 14th day of September, 1998.

Notary Public

My Commission Expires: Aug 11 2000