

UNITED STATES
DEPARTMENT OF THE INTERIOR(Other instructions on
reverse side)

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
330' FNL & 1650' FEL
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
Approx. 18 miles South of Farmington, NM

15. DISTANCE FROM PROPOSED*
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)
990'

16. NO. OF ACRES IN LEASE
1600

17. NO. OF ACRES ASSIGNED
TO THIS WELL
80

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. From Salge Fed A#6
approx. 1725'

19. PROPOSED DEPTH
5130'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6336' GL

22. APPROX. DATE WORK WILL START*
ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM
This action is subject to technical and
procedural review pursuant to 43 CFR 3155.3
and appeal pursuant to 43 CFR 3155.4

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	200'	159 c.f. circ. to surface
7-7/8"	4-1/2"	10.5#	5130'	1636 c.f. circ. to surface

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 the Gallup formation. Plan to run IES and CDL logs. If determined productive, will run 4-1/2", 10.5#, J-55 casing with stage tool, selectively perforate, frac, clean out after frac and complete well.

RECEIVED

AUG 14 1991

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 DATE 4-15-91
(This space for Federal or State official use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE AS AMENDED

CONDITIONS OF APPROVAL, IF ANY:

AUG 12 1991
AREA MANAGER

*See Instructions On Reverse Side

NMOOD

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

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OLM

SEPT 23 AM 8:19

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

OLM DISTRICT I, N.M.

Operator Dugan Production Corporation			Lease Salge A Federal		Well No. 7
Unit Letter B	Section 4	Township 25 North	Range 13 West	County San Juan	
			NMPM		

Actual Footage Location of Well:

330 feet from the North line and 1650 feet from the East line			
Ground level Elev. 6336	Producing Formation Gallup	Pool Bisti Lower Gallup EXT	Dedicated Acreage: 88.79 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.

330'		1650'	
Dugan Prod. Fed.Ls. #SF-078,156			
Section 4		RECEIVED AUG 14 1991 OIL CON. DIV. DIST. 3	

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
Sherman E. Dugan
Printed Name
Sherman E. Dugan

Position
Vice-President
Company
Dugan Production Corp.
Date
4-15-91

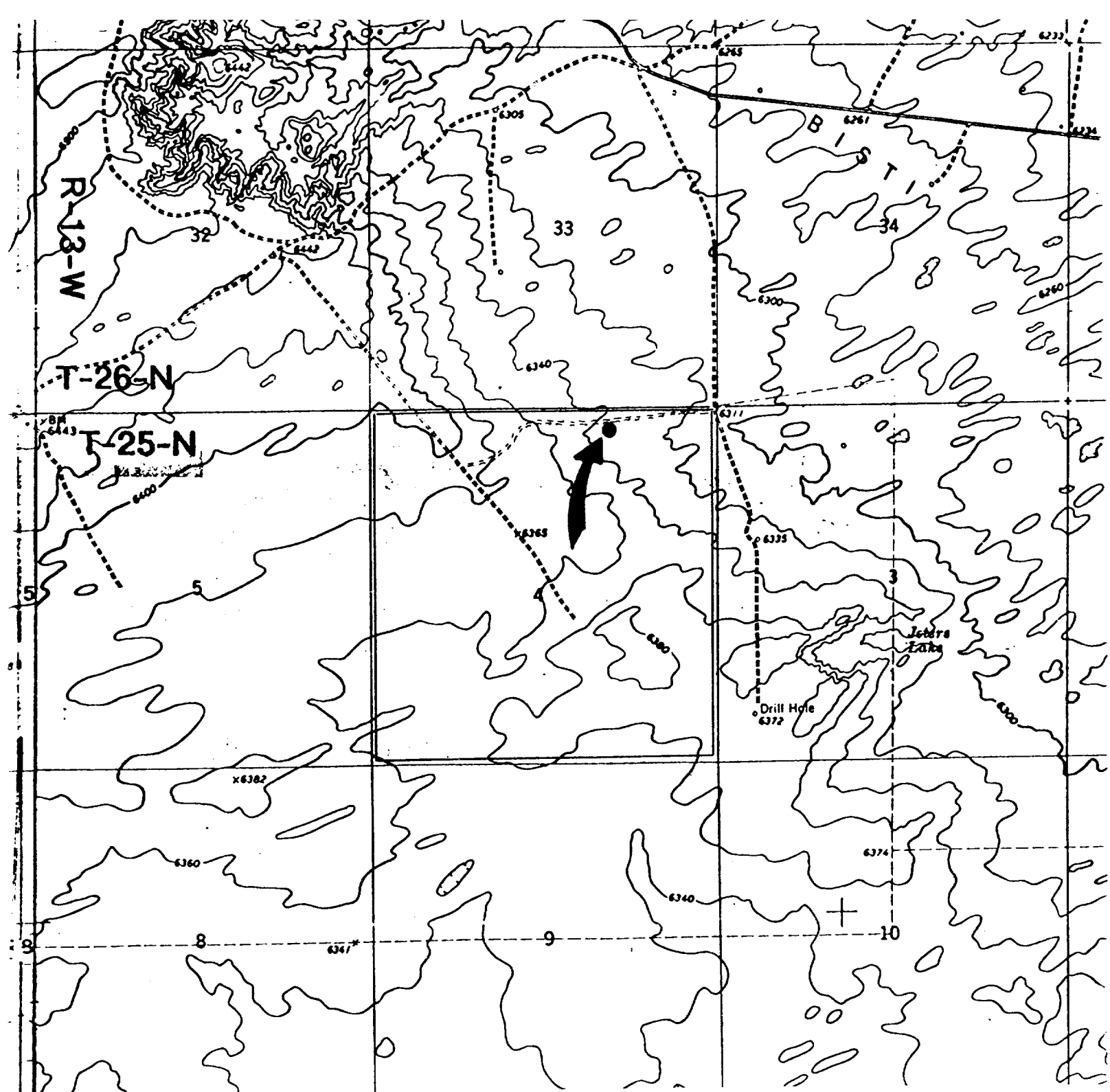
SURVEYOR CERTIFICATION

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
February 14, 1991

Signature & Seal of Professional Surveyor
Edgar L. Risenhoover
Edgar L. Risenhoover
5979
REGISTERED LAND SURVEYOR
NEW MEXICO
5979

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0



Existing Roads

Exhibit E

Vicinity of nearest town or reference pt.
approx. 18 miles South of Farmington, NM

Type of surface dirt

Conditions good

Other _____

Reference map: USGS map Moncisco Wash
1966 & The Pillar 1966

Planned Access Road(s)

Exhibit E

Width _____ Maximum grades _____

Drainage design _____

Cuts & Fills _____

Surfacing material _____

↳ Turnouts

↳ Waterbars

↳ Culverts

↳ Gates

↳ Cattleguards

↳ Fence cuts

**NO NEW ACCESS
ROAD REQUIRED**

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