

3-Tribal Trust  
1-Working Interest Own  
UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

30-045-28663 ✓  
3. LEASE DESIGNATION AND SERIAL NO.  
SF-078156

5. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME 13784  
Salge Federal "A" Com9. WELL NO.  
91 ✓10. FIELD AND POOL, OR WILDCAT  
Basin Fruitland Coal ✓11. SEC., T., R., M., OR S.E.  
AND SURVEY OR AREA  
A Sec. 4, T25N, R13W, NMPM12. COUNTY OR PARISH 13. STATE  
San Juan NM17. NO. OF ACRES ASSIGNED  
TO THIS WELL  
E/320 318.52 ✓20. ROTARY OR CABLE TOOLS  
Rotary22. APPROX. DATE WORK WILL START\*  
ASAPDRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS"40 sx (48 cf) circ. to surface  
125 sx (218 cf) circ. to surface

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  
790' FNL & 790' FEL  
At proposed prod. some

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
approx. 7 miles SW of EPNG Chaco Plant, NM

15. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drg. unit line, if any) 790'

16. NO. OF ACRES IN LEASE  
479.05 / 599.05

17. NO. OF ACRES ASSIGNED  
TO THIS WELL  
E/320 318.52 ✓

18. DISTANCE FROM PROPOSED LOCATION\* 4760' From DPC\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT. proposed Salge Fed 1420'

19. PROPOSED DEPTH  
1420'

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
6325' GL ✓

23. This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.3  
and appeal pursuant to 43 CFR 3165.4  
PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
9-7/8"	7"	20#	90'
6-1/4"	4 1/2"	10.5#	1420'

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 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.

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APR 2 0 1992  
OIL CON. DIV.  
DIST. 3

\*Notice of staking submitted as "90"

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 9-11-90  
Sherman E. Dugan  
(This space for Federal or State/once use)

PERMIT NO. APPROVAL DATE

APPROVED BY TITLE DATE  
CONDITIONS OF APPROVAL, IF ANY:

NMOC

\*See Instructions On Reverse Side

APPROVED  
AS AMENDED

APR 11 1992

AREA MANAGER

RECEIVED

APR 10 1964

OIL COM. DIV.  
DIST. 3

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-162  
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 Salge Federal "A" Com		Well No. 91
Unit Letter A	Section 4	Township 25 North	Range 13 West	County San Juan	
Actual Footage Location of Well: 790 feet from the North line and 790 feet from the East line					
Ground level Elev. 6325	Producing Formation Fruitland Coal	Pool Basin Fruitland Coal		Dedicated Acreage: 320 319.52 Acres	

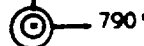
- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated 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 WILL BE COMMUNITIZED

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, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

DUGAN PROD.  
SF-078156

790'



790'

OPERATOR CERTIFICATION

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

Signature

Printed Name

SHERMAN E. DUGAN

Position

Vice-President

Company

Dugan Production Corp.

Date

9-11-90

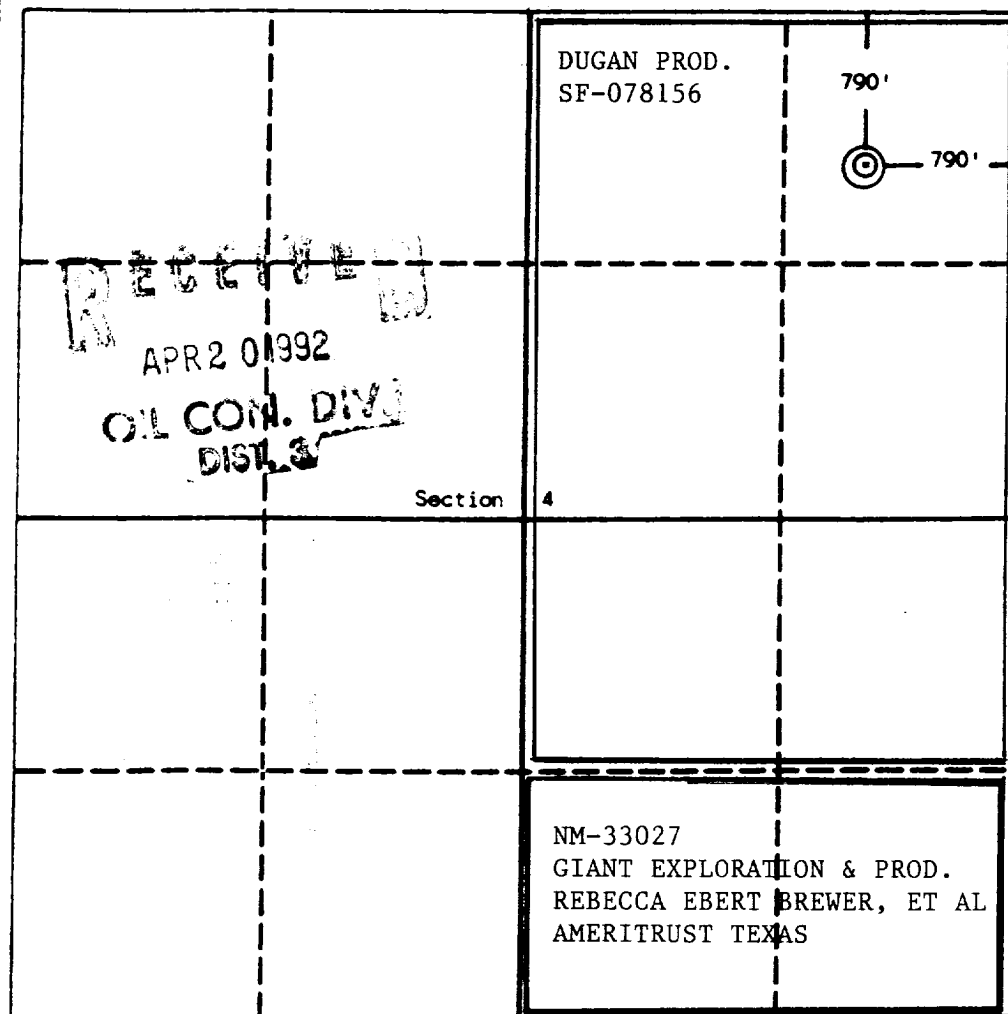
SURVEYOR CERTIFICATION

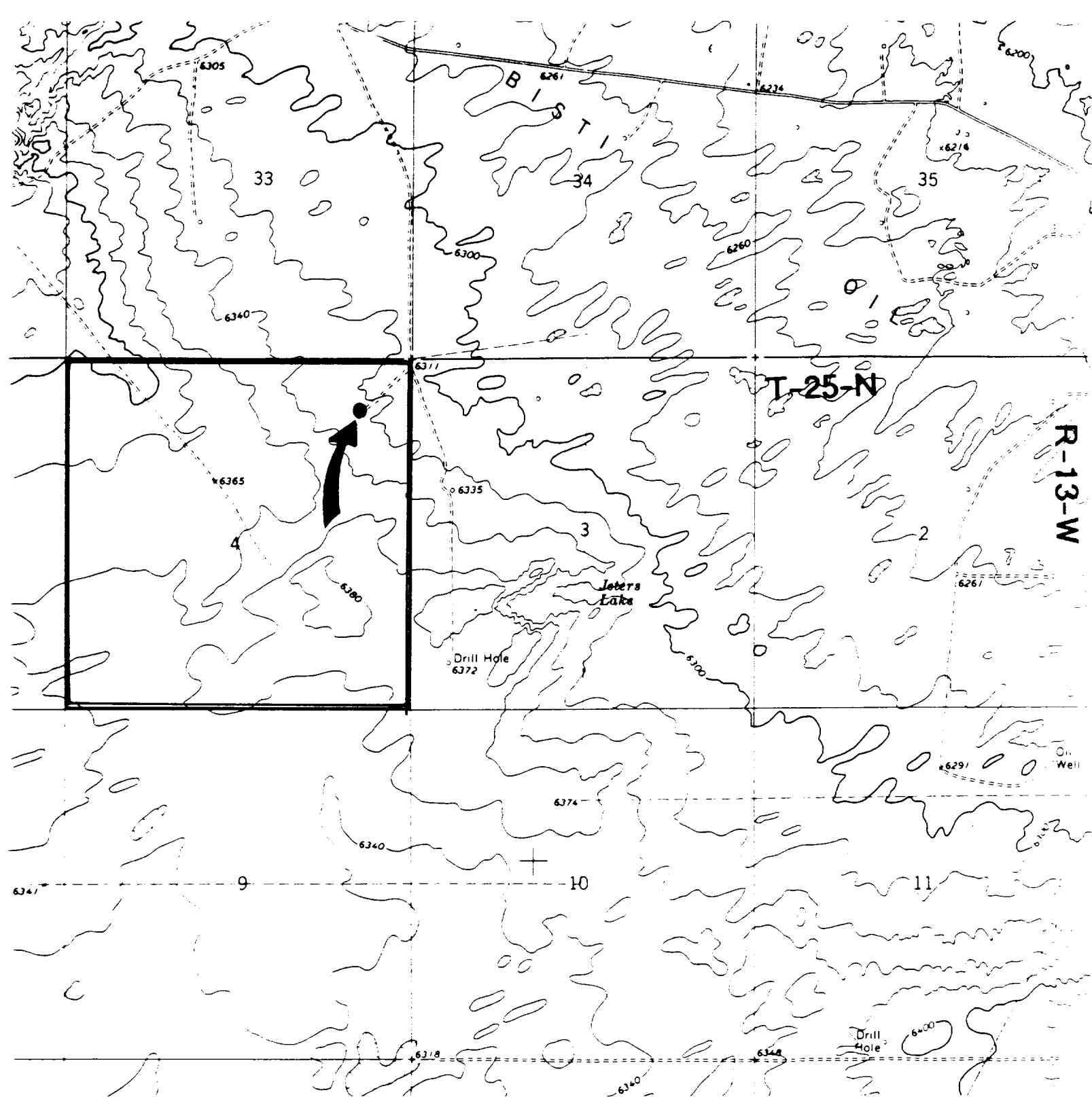
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

August 23, 1990

Signature & Seal of Professional Surveyor





DUGAN PRODUCTION CORP. - SALGE FEDERAL "A" COM # 91

Existing Roads

Exhibit E

Vicinity of nearest town or reference pt.  
Approx. 7 miles SW of EPNG Chaco Plant

Type of surface dirt

Conditions good

Other

Reference map USGS map

Moncisco Wash, New Mexico 1966;

Planned Access Road(s)

Exhibit E

Width 14' Maximum grades 1%

Drainage design as required

Cuts & Fills see diagram

Surfacing material none

Turnouts

Culverts

Gates

Cattleguards

Fence cuts

Waterbars

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