Destruct II

District III

District IV

Dutret | PO Box 1960, Hobbs, NM \$8241-1960

PO Drewer DD, Artona, NM \$8211-0719

1000 Rio Brazos Rd., Aztec, NM \$7410

Previous APD expired 3/6/96. Resubmitting

for reapproval.

State of New Mexico rgy, Maorale & Natural Resources Departme

Form C-101 Revised February 10, 1994

instructions on back

State Lease - 6 Copies

Submit to Appropriate District Office

PO Box 2088 Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION

Fee Lease - 5 Copies State Lease LG-3734 AMENDED REPORT

rundry - Extension PO Box 2088, Santa Pe, NM 87504-2088

DEEPEN PEUGBACK OR ADD A ZONE TION FOR DEPART TO DRILL RE-ENTER

| | Operator Name and Address. | MAR 1 1 1996 😃 | OGRID Number |
|-------------------------------------|----------------------------|-----------------|-------------------------|
| Donas Dandontino Gover | | Contract of the | 00615 |
| Dugan Production Corp. P.O. Box 420 | • | OM COM, DIV. | ³ AFI Number |
| Farmington, NM 87499 | | Diet. 2 | 30 · 0 45–29216 |
| ⁴ Property Code | ¹ Proper | rty Name | ' Well No. |
| 016429 | Bisti State | | 90 |

⁷ Surface Location

| H 2 25N 13W 1980 North 790 East San Juan | 1 | UL or lot 20. | Section | Township | Range | Lot Ida | Feet from the | North/South Eas | Feet from the | East/West Eas | County |
|--|---|---------------|---------|----------|-------|---------|---------------|-----------------|---------------|---------------|----------|
| | | Н | 2 | 25N | 13W | | 1980 | North | 790 | East | San Juan |

Proposed Bottom Hole Location If Different From Surface

| | UL or lot so. | Section | Township | Range | Lot Ida | Feet from the | North/South Enc | Feet from the | East/West Las | County |
|---|------------------------------|---------|----------|-------|---------|---------------|-----------------|---------------|---------------|--------|
| | 'Proposed Pool I E/319.67 | | | | | 9.67 | | " Propos | ad Pool 3 | |
| l | Basin Fruitland Coal (71629) | | | | | | | | | |

| 11 Work Type Code | 12 Well Type Code | " Cable/Retary | " Loans Type Code | M Greend Level Elevation |
|-------------------|-------------------|----------------|-------------------|--------------------------|
| N | G | Rotary. | S | 6242' (est) |
| " Multiple | 17 Proposed Depth | " Formation | 1º Contractor | ³¹ Sped Date |
| No | 1325' | Fruitland | Wayne Smith | ASAP |

²¹ Proposed Casing and Cement Program

| | | Y . | | | |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Secto of Coment | Estimated TOC |
| 9-7/8" | 7" | 20# | 120' | 50 | surface |
| 6-1/4" | 41/2" | 10.5# | 1325' | 155 | surface |
| | | | | | |
| | - | | | | |
| | | | | | |

Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive mos. Describe the blowset prevention program, if any. Use additional shorts if necessary,

Plan to drill a 9-7/8" hole and set 120' of 7" OD, 20#, J-55 surface casing; then plan to drill a $6\frac{1}{4}$ " 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 4½", 10.5#, J-55 casing, selectively perforate, frac, clean out after frac and complete well.

BOP & related equipment will be for a 2000 psi system. No abnormal pressures or hazardous zones are anticipated.

| ³⁰ I hereby certify that the information given above is after and complete to the best of my knowledge and pelies | OIL CONSERVATION DIVISION | | |
|---|---|--|--|
| Signature Cherman ! Julan | Approved by: Original Signed by FRANK T. CHAVEZ | | |
| Printed name: Sherman E. Dugan | Tide: SUPERVISOR DISTRICT # 2 | | |
| Tide: Vice-President | Appropriation Date: 3-6-97 | | |
| Date: 3/7/96 Phone: 325-1821 | Conditions of Approval : Attached G | | |