

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. NM 86080		
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE BORE <input checked="" type="checkbox"/> MULTIPLE BORE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME		
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. FARM OR LEASE NAME, WELL NO. Latex #1 17014		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 990' FNL & 990' FEL (NE/4 NE/4) At proposed prod. zone			9. API WELL NO. 30-045-29244		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 3 miles NW of Huerfano Trading Post, NM			10. FIELD AND POOL OR WILDCAT W 25N 10W 09A - PICTURED CLIFFS Wildcat Pictured Cliffs		
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 990'		16. NO. OF ACRES IN LEASE 640		17. NO. OF ACRES ASSIGNED TO THIS WELL 160	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. from P&A'd Waxman approx. 467'		19. PROPOSED DEPTH 1970'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) #1 6643' (est) GL			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 cf) circ. to surface
6-1/4"	4 1/2"	10.5#	1970'	180 sx (317 cf) circ. to surface

Drilling operations to be performed are subject to approval with attached "GENERAL ORDER" and "PERMIT".

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 Pictured Cliffs 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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DIST. 3

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 Sherman E. Dugan TITLE Vice-President DATE 3/7/95  
(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 enable the applicant to conduct operations thereon.  
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY OK TITLE \_\_\_\_\_ DATE APR 2 1995

\*See Instructions On Reverse Side

DISTRICT MANAGER

District I  
PO Box 1988, Hobbs, NM 88241-1988  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1808 Rio Bravo Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

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

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30-045-29244		* Pool Code 96363	* Pool Name WC: 25N10W09A Wildcat-Pictured Cliffs	
* Property Code 17014	* Property Name Latex		* Well Number 1	
* OGRID No. 006515	* Operator Name Dugan Production Corporation		* Elevation 6643' Estimated	

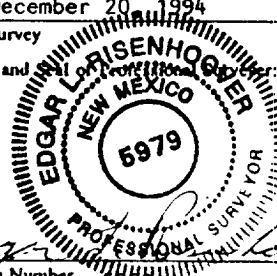
10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
A	9	25N	10W		990	North	990	East	San Juan

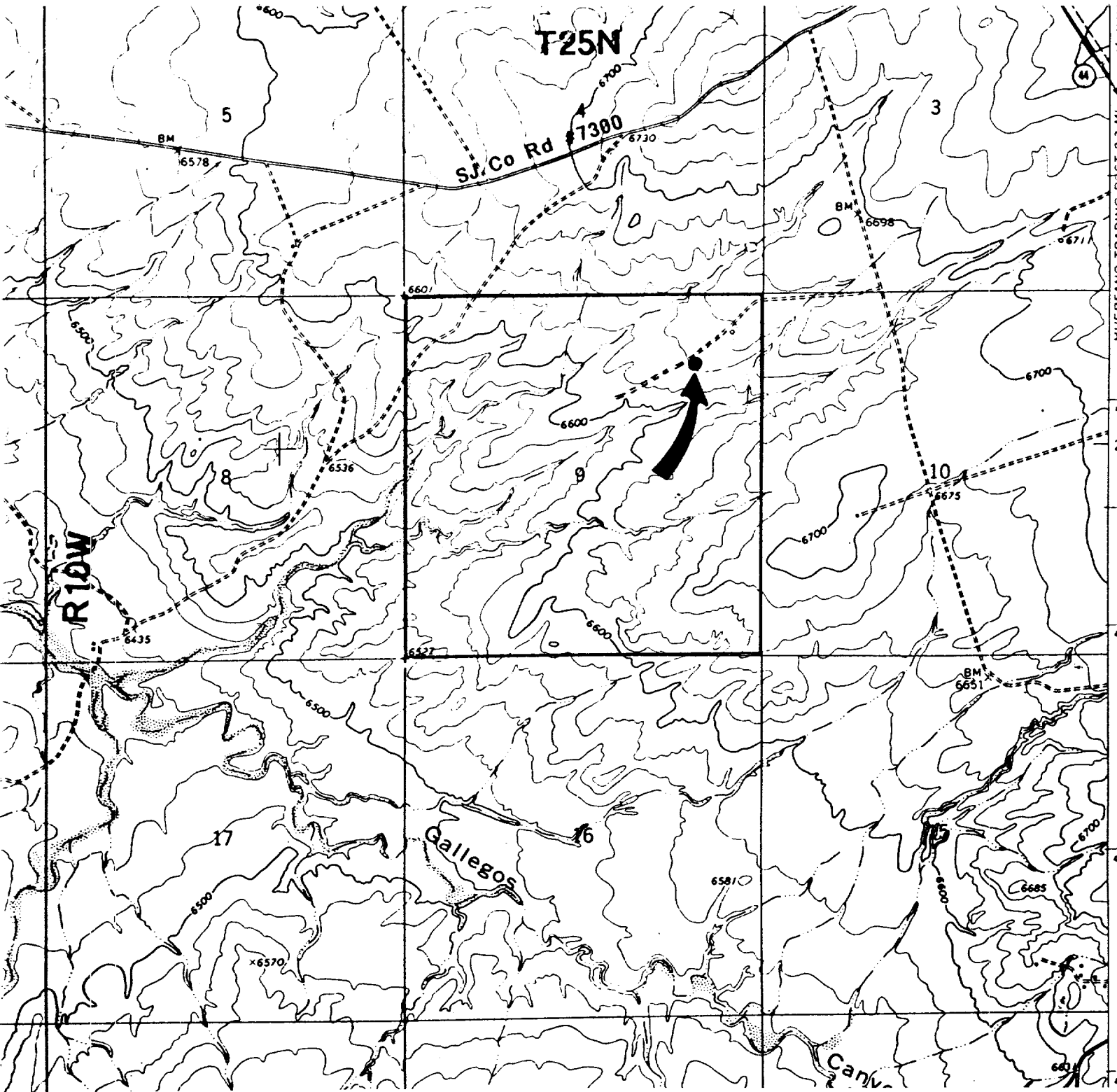
11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
* Dedicated Acres 160		* Joint or Infill		* Consolidation Code		* Order No.			

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 86080	990'
			990'
	Section		
17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature: <u>Sherman E. Dugan</u> Printed Name: <u>Sherman E. Dugan</u> Title: <u>Vice-President</u> Date: <u>3/7/95</u>			
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.  December 20, 1994 Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number: <u>5979</u>			

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<u>Existing Roads</u>	<u>Exhibit E</u>	<u>Planned Access Road(s)</u>	<u>Exhibit E</u>
Vicinity of nearest town or reference pt. <u>approx. 3 miles NW of Huerfano Trading Post, NM</u>		Width <u>20'</u>	Maximum grades <u>3%</u>
Type of surface <u>dirt</u>		Drainage design <u>as required</u>	
Conditions <u>good</u>		Cuts & Fills <u>as required</u>	
Other _____		Surfacing material <u>none</u>	
Reference map: <u>USGS map</u>		<input checked="" type="checkbox"/> Turnouts <input checked="" type="checkbox"/> Culverts <input checked="" type="checkbox"/> Gates <input checked="" type="checkbox"/> Cattleguards <input checked="" type="checkbox"/> Fence cuts	<input type="checkbox"/> Waterbars <input type="checkbox"/> Access Road & Pipeline
<u>Huerfano Trading Post NW, NM</u>		Access road(s) <input checked="" type="radio"/> do / do not cross <input checked="" type="radio"/> Fed / Ind land.	