

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

## 1. a. TYPE OF WORK

DRILL ☒DEEPEEN ☐

## b. TYPE OF WELL

Oil ☐Gas ☐Well ☐Well ☒Other ☐SINGLE ☐MULTIPLE ☐ZONE ☒ZONE ☐

## 2. Name of Operator

Dugan Production Corp.

## 3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325-1821

## LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface 790' FSL &amp; 1850' FEL (SW/4 SE/4)

## At proposed prod. zone

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

Approx. 5 miles SW of Carson Trading Post, 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

479.32

## 18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

approx. 706' from

## 19. PROPOSED DEPTH

1240'

## 21. ELEVATIONS (Show whether DE, BLM, etc.)

6232' GR (est) and appeal pursuant to 43 CFR 3165.4.

## 5. LEASE DESIGNATION AND SERIAL NO.

NM 25443

## 6. IF INDIAN, ALLOTTED OR TRIBE NAME

## 7. UNIT AGREEMENT NAME

## 8. FARM OR LEASE NAME, WELL NO.

Red Mac #4

## 9. API Well No.

30 045

## 10. FIELD AND POOL, OR WILDCAT

WAW FR Sand/PC

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA

Unit O

Sec. 3, T25N, R12W

## 12. COUNTY OR PARISH

## 13. STATE

## 23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADES, SIZES OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-7/8"	7"	20#	120'	60 sx (71 cu ft) circ to surf
6-1/4"	4-1/2"	10.5#	1240'	125 sx (204 cu ft) circ to surf

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 Sand/PC 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 8/31/98

Sherman E. Dugan

(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 entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

Approved by

/S/ Duane W. Spencer

Title

Team Lead, Petroleum Management

Date

\*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.

NMOC

Why are they the best  
estimated?

→

EST  
EST

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer D-3, Artesia, NM 88211-0719

District III  
1000 Rio Brazos Rd., Aztec, NM 87410

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

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

☐ AMENDED REPORT

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

04-2088  
98 SEP -2 AM 9:00

## WELL LOCATION AND ACREAGE DEDICATION PLAT

' APT Number 30 045 29836	' Pool Code 87190	' Pool Name WAW Fruitland Sand/PC
' Property Code 003816	' Property Name Red Mac	' Well Number 4
' OGRID No. 006515	' Operator Name Dugan Production Corporation	' Elevation 6232' Estimated

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	3	25N	12W	0	790	South	1850	East	San Juan

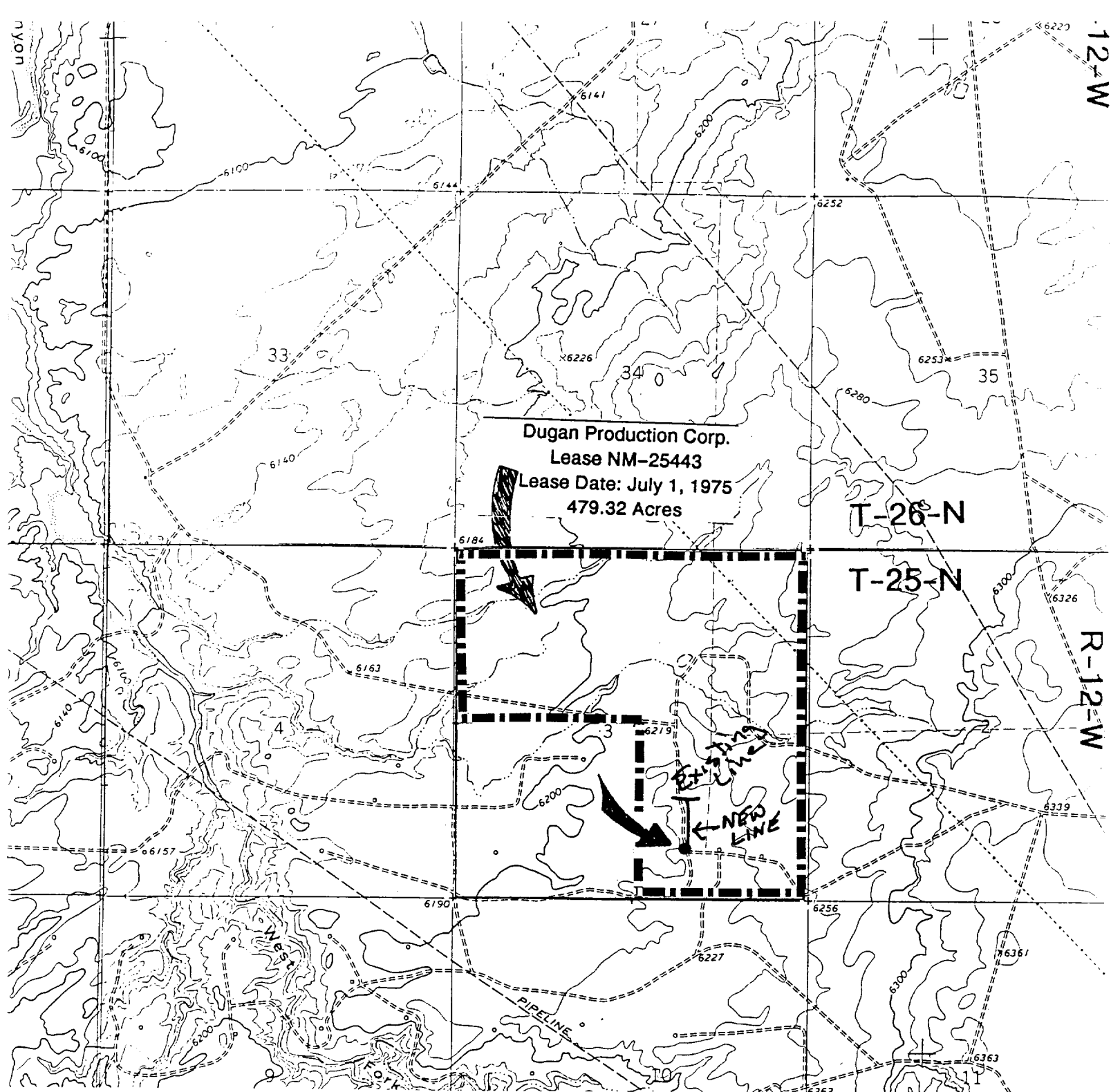
## " Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

13 Dedicated Acres 160	13 Joint or Infill	14 Consolidation Code	15 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				<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Sherman E. Dugan</i></p> <p>Signature Sherman E. Dugan</p> <p>Printed Name Vice-President</p> <p>Title 8/31/98</p> <p>Date</p>
		<p>RECEIVED</p> <p>FEB 22 1999</p> <p>STATE OF NEW MEXICO</p> <p>DEPT. OF REVENUE</p>		<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>March 6, 1998</p> <p>Date of Survey</p> <p>Signature and Seal</p> <p>EDGAR E. RISENHOVER NEW MEXICO 5979 PROFESSIONAL SURVEYOR</p> <p><i>Edgar E. Risenhover</i></p> <p>Certificate Number 5979</p>
	Section 3			
		<p>Dugan Production Corp. NM 25443</p>		
		<p>790'</p> <p>1850'</p>		



ALL CONSTRUCTION ON-LEASE

Exhibit E

Planned Access Road(s)

Exhibit E

Proximity of nearest town or reference pt.  
Approx. 5 mi SW of Carson Trading Post, NM

Type of surface dirt

Conditions good

Other

Reference map: USGS map Carson Trading Post, NM

DUGAN PRODUCTION CORP.  
RED MAC #4

Width 20' Maximum grades

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.

No new access is required