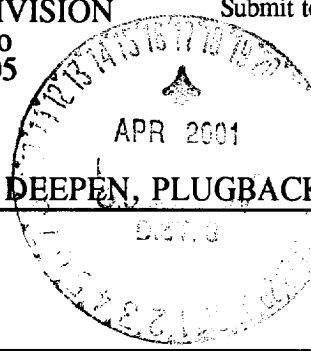


District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-101  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies



☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address. <b>Dugan Production Corp.</b> P. O. Box 420, Farmington, NM 87499-0420		<sup>2</sup> OGRID Number 006515
		<sup>3</sup> API Number 30 - 045 - 30637
<sup>4</sup> Property Code 27965	<sup>5</sup> Property Name Spandex Corn	<sup>6</sup> Well No. 90

<sup>7</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
G	16	25N	10W		1400	North	2050	East	San Juan

<sup>8</sup> Proposed 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
<sup>9</sup> Proposed Pool 1 Basin Fruitland Coal - 71629					<sup>10</sup> Proposed Pool 2				

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 6576'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 1805'	<sup>18</sup> Formation Fruitland Coal	<sup>19</sup> Contractor Wayne Smith Drilling	<sup>20</sup> Spud Date ASAP

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
9-7/8"	7"	20#	120'	71 cu.ft	surface - Circ
6-1/4"	4-1/2"	10.5#	1805' -	275 cu ft	surface - Circ

<sup>22</sup> 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 zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

A water based gel mud will be used to drill surface and production casing holes. A standard 2,000 psi BOP will be used to drill production casing hole. The Fruitland Coal will be completed from approximately 1670'-1675'.  
The interval will be fractured.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Kurt Fagrelus*

Printed name: Kurt Fagrelus

Title: Geologist

Date: April 4, 2001

Phone: (505) 325-1821

OIL CONSERVATION DIVISION

Approved by: *[Signature]*

Title: *SECURITY OIL & GAS*

Approval Date: APR 17 2001

Expiration Date: APR 17 2002

Conditions of Approval :

Attached ☐

~~HOLD ON~~ *[Handwritten signature]*

District I  
PO Box 1988, Hobbs, NM 88241-1988  
District II  
PO Drawer DD, 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

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

1 API Number 30 045 30637		2 Pool Code 71629		3 Pool Name Basin Fruitland Coal	
4 Property Code 27965		5 Property Name Spandex Com			6 Well Number 90
7 OGRID No. 006515		8 Operator Name Dugan Production Corporation			9 Elevation 6576'

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
G	16	25N	10W		1400	North	2050	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

12 Dedicated Acres 320	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

<p>16</p> <p>Dugan Prod. VA-1496</p> <p>1400'</p> <p>N=36°24'15.91" W=107°53'59.88"</p> <p>2050'</p> <p>Section 16</p>		<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>Kurt Fagrelus</i></p> <p>Signature</p> <p>Kurt Fagrelus</p> <p>Printed Name</p> <p>Geologist</p> <p>Title</p> <p>2-26-01</p> <p>Date</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>February 26, 2001</p> <p>Date of Survey</p> <p><i>E. J. Hoover</i></p> <p>Signature</p> <p>NEW MEXICO</p> <p>PROFESSIONAL SURVEYOR</p> <p>5979</p> <p>Certificate Number NMPLS #5979</p>		<p>APR 2001</p> <p>RECEIVED</p> <p>CLERK</p> <p>DATE</p>	