

1 NIIP

5 BLM 1 Kindermac Partners
1 FileUNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)Form approved.
Budget Bureau No. 42-R1425.

30-045-2833P

5. LEASE DESIGNATION AND SERIAL NO.

NM-37910

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

*San Juan "R" Federal Com

9. WELL NO.

90

10. FIELD AND POOL, OR WILDCAT

Basin Fruitland Coal

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

Sec. 12, T26N, R12W, NMPM

12. COUNTY OR PARISH

San Juan NM

13. STATE

NM

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

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. ✓

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

1850' FNL & 835' FEL

At proposed prod. zone

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

approx. 3 miles Northeast of EPNG Chaco Plant, NM

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

790'

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED
TO THIS WELL

E/320

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

approx. 1325'

19. PROPOSED DEPTH

1435'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) "R" Federal #1

G.L. 6005' ✓

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3

22. APPROX. DATE WORK WILL START*

ASAP

23. and appeal pursuant to 43 CFR 2825.4 AND CEMENTING PROGRAM

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-7/8"	7"	20#	90'	40 sx (48 cf) circ. to surface
6-1/4"	4 1/2"	10.5#	1435'	125 sx (218 cf) circ. to surface

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.

*Notice of Staking submitted as San Juan Federal R #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 8-27-90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY

DATE

RECEIVED

OIL CON. DIV

DIST. 3

*See Instructions On Reverse Side

NMOC

Plan #1 well (E)

AREA MANAGER

Submit to Appropriate
District Office
Lease - 4 copies
Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

STRICTLY
Box 1980, Hobbs, NM 88240

STRICTLY
Drawer DD, Artesia, NM 88210

STRICTLY
30 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 Company			Lease San Juan "R" Federal Com		Well No. 90
Grid Letter H	Section 12	Township 26 North	Range 12 West	County San Juan	
Well Footage Location of Well: 1850 feet from the North line and 835 feet from the East line					
Ground level Elev. 6005	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal		Dedicated Acreage: 320 Acres

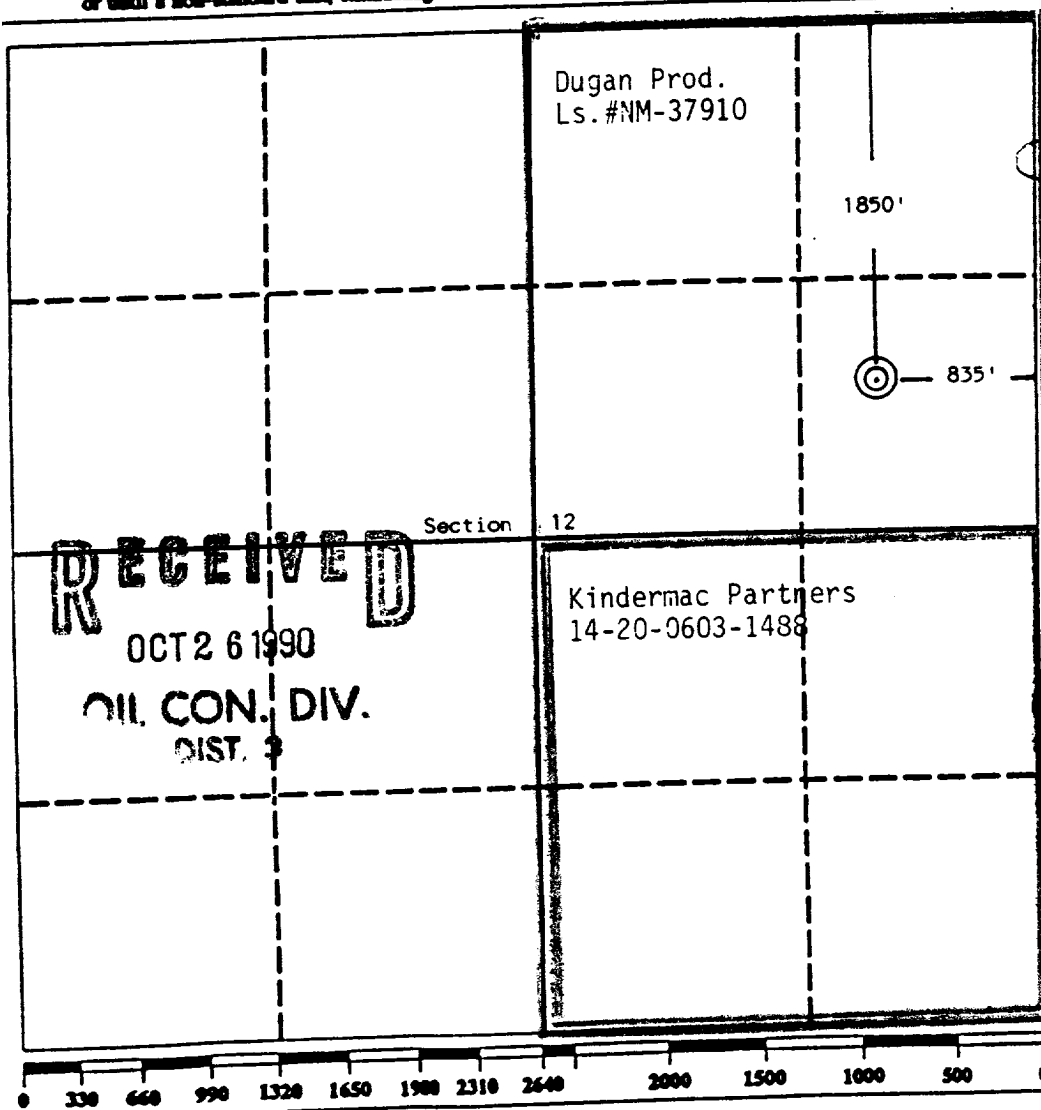
1. Outline the acreage dedicated to the subject well by colored pencil or lecture marks on the plat below.

2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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



OPERATOR CERTIFICATION

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

Signature: Sherman F. Dugan

Printed Name: Sherman F. Dugan

Vice-President

Position

Dugan Production Corp.

Company

8-27-90

Date

SURVEYOR CERTIFICATION

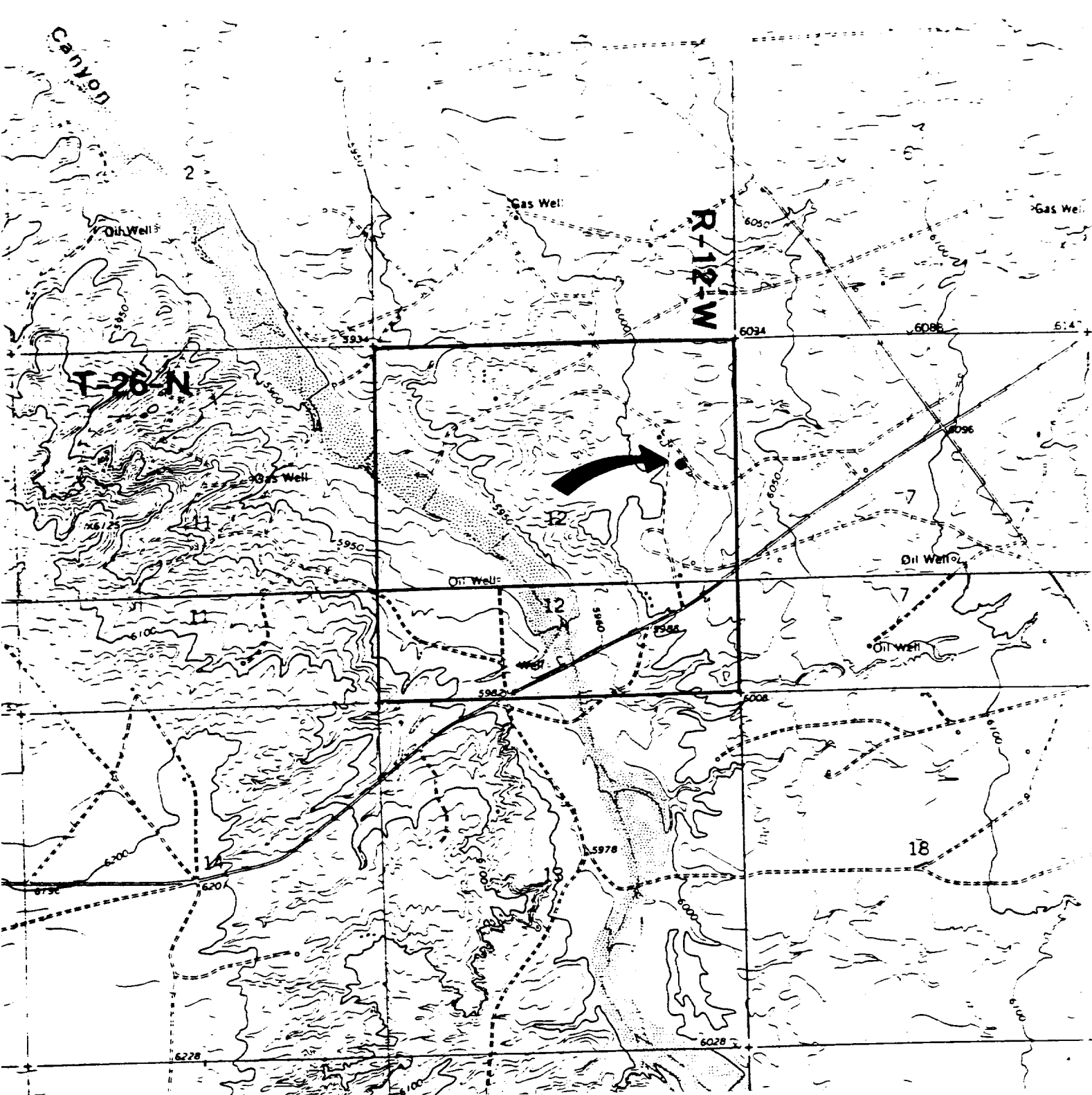
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

August 10, 1990

Signature & Seal of
Professional Surveyor

Edgar L. Risenhoover
Certificate No. 5979
Edgar L. Risenhoover, P.S.



DUGAN PRODUCTION CORP. - San Juan "R" Federal Com #90

Existing Roads

Exhibit E

Planned Access Road(s)

Exhibit E

Vicinity of nearest town or reference pt.
approx. 3 miles NE of EPNG Chaco Plant

Type of surface dirt

Conditions good

Other _____

Reference map: USGS map

Carson Trading Post, NM

Width _____ Maximum grades _____

Drainage design _____

Cuts & Fills _____

Surfacing material _____

Turnouts

Culverts

Gates

Cattleguards

Fence cuts

Waterbars

NO NEW ACCESS
ROAD REQUIRED

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