

GEOLOGICAL SURVEY

30-045-28497

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

5. LEASE DESIGNATION AND SERIAL NO.

NM-55113

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Leah Marie 13851

9. WELL NO.

10. FIELD AND POOL, OR WILDCAT

Wildcat Pictured Cliffs

11. SEC., T., R., N., OR S.E. AND SURVEY OR AREA

Sec. 23, T26N, R12W, NMPM

12. COUNTY OR PARISH 13. STATE

San Juan NM

17. NO. OF ACRES ASSIGNED TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START*

ASAP

DRILLING OPERATIONS ARE

SUBJECT TO COMPLIANCE WITH ATTACHED

GENERAL REQUIREMENTS

40 sx. (48 cu.ft.) circ. to surf

120 sx (207 cu.ft.) circ. to surf

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

1800' FSL & 800' FWL

At proposed prod. zone

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

approx. 2 miles Southeast of EPNG Chaco Plant, New Mexico

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT.

800'

16. NO. OF ACRES IN LEASE

480

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

2887' from

19. PROPOSED DEPTH

1380'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

GL 6200' This action is subject to technical and

23. procedural review pursuant to proposed casing and cementing program and appeal pursuant to 43 CFR 3185.4.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-7/8"	7"	20#	90'	40 sx. (48 cu.ft.) circ. to surf
6-1/4"	4-1/2"	10.5#	1380'	120 sx (207 cu.ft.) circ. to surf

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 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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OIL CON. DIV.
DIST. 3

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

8-20-90

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

NMOCD

APPROVED
AS AMENDED

DEC 31 1990

AREA MANAGER

*See Instructions On Reverse Side

OK

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

appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 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 Corporation			Lease Leah Marie		Well No. 2
Unit Letter L	Section 23	Township 26 North	Range 12 West	County San Juan	
Actual Footage Location of Well: 1800 feet from the South line and 800 feet from the West line					
Ground level Elev. 6200	Producing Formation Pictured Cliffs		Pool <u>WAW FRT SNO/PC</u> <u>Wildcat</u>	Dedicated Acreage: 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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

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.

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Section 23

DPC
NM-55113

800'

1800'

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

OPERATOR CERTIFICATION

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

Signature

Printed Name

Sherman E. Dugan

Position

Vice-President

Company

Dugan Production Corp.

Date

8-20-90

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

July 23, 1990

Signature & Seal of
Professional Surveyor

EDGAR L. RISENHOOVER
NEW MEXICO
5979
Edgar L. Risenhoover
REGISTERED LAND SURVEYOR