

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY(Other instructions on  
reverse side)

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. 14-20-603-735-A		
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBAL NAME		
2. NAME OF OPERATOR DUGAN PRODUCTION CORP.		7. UNIT AGREEMENT NAME West Bisti Unit		
3. ADDRESS OF OPERATOR P.O. Box 420, Farmington, NM 87499		8. FARM OR LEASE NAME West Bisti Unit		
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 2185' FSL & 2130' FEL At proposed prod. zone		9. WELL NO. 172		
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approx. 15 miles south of Farmington, NM		10. FIELD AND POOL, OR WILDCAT Bisti Lower Gallup		
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 455'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA J Sec. 13, T26N, R14W, NMFM		
16. NO. OF ACRES IN LEASE 240		12. COUNTY OR PARISH San Juan		
17. NO. OF ACRES ASSIGNED TO THIS WELL 80		13. STATE NM		
18. DISTANCE FROM PROPOSED* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1210' From WBU #100		19. PROPOSED DEPTH 5350'		
20. ROTARY OR CABLE TOOLS Rotary		21. APPROX. DATE WORK WILL START* ASAP		
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6400' GL		22. APPROX. DATE WORK WILL START* ASAP		
23. PROPOSED CASING AND CEMENT PROGRAM This section is subject to technical and procedural review pursuant to 43 CFR 3185.3 and appeal pursuant to 43 CFR 3185.4 PROGRAM		23. PROPOSED CASING AND CEMENT PROGRAM This section is subject to technical and procedural review pursuant to 43 CFR 3185.3 and appeal pursuant to 43 CFR 3185.4 PROGRAM		
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	GENERAL QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	200'	159 c.f. circ. to surface
7-7/8"	4-1/2"	10.5#	5350'	1719 c.f. circ. to surface

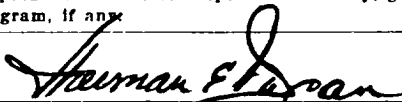
Plan to drill a 12-1/4" hole and set 200' of 8-5/8" OD, 24#, J-55 surface casing; then plan to drill a 7-7/8" hole to total depth with gel-water-mud program to test the Gallup formation. Plan to run IES and CDL logs. If determined productive, will run 4-1/2", 10.5#, J-55 casing with stage tool, selectively perforate, frac, clean out after frac and complete well.

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OIL CON. DIV. J  
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  
(This space for Federal or State only use)

TITLE Vice-President

DATE 4-11-91

PERMIT NO.

APPROVAL DATE


APPROVED  
AS AMENDED

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

JUL 23 1991

 John L. Keller  
AREA MANAGER

\*See Instructions On Reverse Side

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee 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

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 West Bisti Unit		Well No. 172
Unit Letter J	Section 13	Township 26 North	Range 14 West	County San Juan	NMPM
Actual Footage Location of Well: 2185 feet from the South line and 2130 feet from the East line					
Ground level Elev. 6400'	Producing Formation Gallup		Pool Bisti Lower Gallup		Dedicated Acreage: 80 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.

OPERATOR CERTIFICATION

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

Signature *Sherman E. Dugan*  
Printed Name Sherman E. Dugan  
Position Vice-President  
Company Dugan Production Corp.  
Date 4-11-91

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 February 14, 1991

Signature & Seal  
Professional Surveyor  
*Edgar L. Risenhoover*  
Edgar L. Risenhoover, R.S.  
5979

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OIL CON. DIV.  
DIST. 13

Section 13

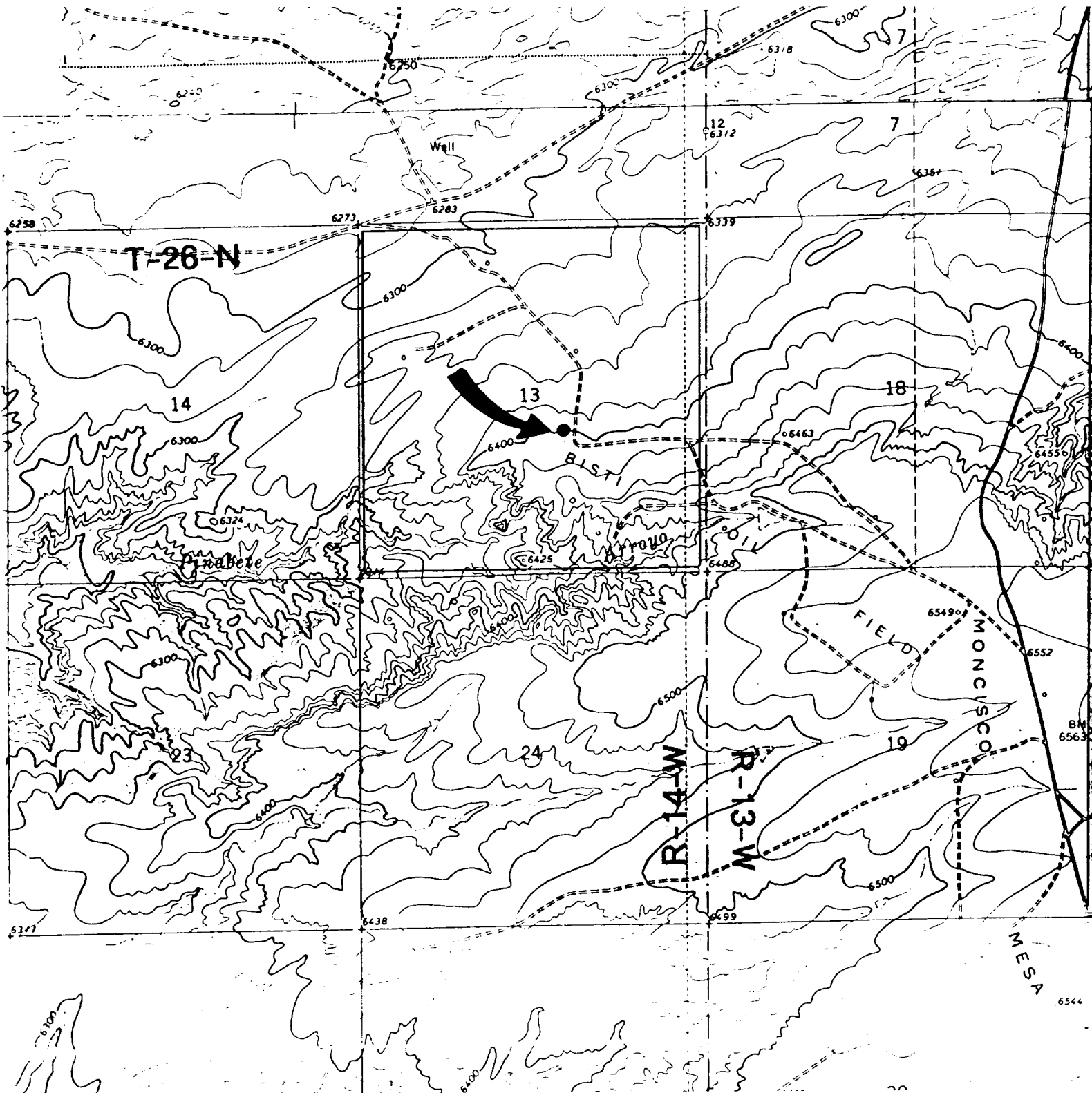
Dugan Prod. Ls# 14-20-603-735A



2130'

2185'

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



### Existing Roads

### Exhibit E

### Planned Access Road(s)

### Exhibit E

Vicinity of nearest town or reference pt.  
Approx. 15 miles South of Farmington, NM

Width \_\_\_\_\_ Maximum grades \_\_\_\_\_

Drainage design \_\_\_\_\_

Cuts & Fills \_\_\_\_\_

Surfacing material \_\_\_\_\_

Type of surface dirt

Conditions good

Other \_\_\_\_\_

Turnouts \_\_\_\_\_

Culverts \_\_\_\_\_

Gates \_\_\_\_\_

Cattleguards \_\_\_\_\_

Fence cuts \_\_\_\_\_

Waterbars \_\_\_\_\_

NO NEW ACCESS REQUIRED

Reference map: USGS map Moncisco Wash  
1966 & The Pillar 1966

Access road(s) do / do not cross Fed/Ind land  
DUGAN PRODUCTION CORP. - WEST BISTI UNIT #172