

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL ☒ DEEPEN ☐ PLUG BACK ☐		5. LEASE DESIGNATION AND SERIAL NO. SF-078091	
b. TYPE OF WELL OIL WELL ☒ GAS WELL ☐ OTHER ☐		6. INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR DUGAN PRODUCTION CORP.		7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P.O. Box 420, Farmington, NM 87499		8. FARM OR LEASE NAME Patriot	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 330' FSL & 330' FWL / At proposed prod. zone		9. WELL NO. 1	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 16 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) 330'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 29, T26N, R13W, NMPM	
16. NO. OF ACRES IN LEASE 1920		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. From PSA well 2100'		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.) 6510' GL		22. APPROX. DATE WORK WILL START* ASAP	
23. PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
12-1/4"	8-5/8"	24#	200'
7-7/8"	4-1/2"	10.5#	5350'
		QUANTITY OF CEMENT	
		159 c.f. circ. to surface	
		1714 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.

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

DATE 4-17-91

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED
AS AMENDED

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

DATE 12-9-1991

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 Patriot		Well No. 1
Unit Letter M	Section 29	Township 26 North	Range 13 West	County San Juan	

Actual Footage Location of Well:

330 feet from the South line and		330 feet from the West line	
Ground level Elev. 6510	Producing Formation Gallup	Pool Bisti Lower Gallup <i>EAT</i>	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 <i>Sherman E. Dugan</i>
Printed Name Sherman E. Dugan
Position Vice-President
Company Dugan Production Corp.
Date 4-17-91

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 of Professional Surveyor <i>Edgar L. Risenhooker</i> EDGAR L. RISENHOOVER NEW MEXICO 5879 Certification No. 5879 Edgar L. Risenhooker, P.S.

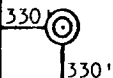
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OIL CON. DIV.
DIST. 3

Section 29

Dugan Prod.
Fed. Ls# SF-07 8091



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

Existing Roads

Vicinity of nearest town or reference pt.
approx. 16 miles south of Farmington, NM

Type of surface dirt

Conditions good

Other _____

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

Exhibit E

Planned Access Road(s)

Exhibit E

Width 20' Maximum grades 2%

Drainage design as required

Cuts & Fills see diagram

Surfacing material none

⇒ Turnouts

 Culverts

~~XXXX~~ Gates

≡ Cattleguards

 Fence cuts

Waterbars

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