

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

| | | | | | |
|--|--|--|---|--|--|
| 1A. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> | | | 5. LEASE DESIGNATION AND SERIAL NO. SF-078091 | | |
| 1B. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> | | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME | | |
| 2. NAME OF OPERATOR DUGAN PRODUCTION CORP. 6515 | | | 7. UNIT AGREEMENT NAME | | |
| 3. ADDRESS AND TELEPHONE NO. P.O. Box 420, Farmington, NM 87499 | | | 8. FARM OR LEASE NAME, WELL NO. Patriot 91 13898 | | |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1980' FNL & 790' FEL (SE/4 NE/4) At proposed prod. zone | | | 9. API WELL NO. 30-045-29516 | | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approx. 4 mi. SW of EPNG Chaco Plant | | | 10. FIELD AND POOL, OR WELDCAT Basin Fruitland Coal 71629 | | |
| 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drg. unit line, if any) 790' | | | 11. SEC., T., R., M., OR BLM. AND SURVEY OR AREA 27-26N-13W (Unit H) | | |
| 16. NO. OF ACRES IN LEASE 1920 | | | 12. COUNTY OR PARISH San Juan | | |
| 17. NO. OF ACRES ASSIGNED TO THIS WELL 320 | | | 13. STATE NM | | |
| 18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. approx 1100' from DPC WEU #125 | | | 19. PROPOSED DEPTH 1335' | | |
| 20. ROTARY OR CABLE TOOLS Rotary | | | 21. APPROX. DATE WORK WILL START* ASAP | | |
| 21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6175' (est) G.L. | | | 22. APPROX. DATE WORK WILL START* ASAP | | |
| 23. PROPOSED CASING AND CEMENTING PROGRAM | | | | | |

| SIZE OF HOLE | GRADE, SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|-----------------------|-----------------|---------------|------------------------------------|
| 9-7/8" | 7" | 20# | 120' | 50 sx (59 cu.ft.) circ. to surf. |
| 6-1/4" | 4 1/2" | 10.5# | 1335' | 160 sx (276 cu.ft.) circ. to surf. |

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

Plan to drill a 9-7/8" hole and set 120' 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 the 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.

RECEIVED
JAN 12 1997
OIL CON. DIV.
DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.

34. SIGNED Sherman E. Dugan TITLE Vice-President DATE 6/03/97
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:APPROVED BY AS/ Denise W. Spencer TITLE _____ DATE JAN - 8 1997

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

District I
PO Box 1980, Hobbs, NM 88241-1980
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 30-045-29510 | | 2 Pool Code 71629 | | 3 Pool Name Basin Fruitland Coal | | |
| 4 Property Code 13898 | | 5 Property Name Patriot | | | 6 Well Number 91 | |
| 7 OGRID No. 006515 | | 8 Operator Name Dugan Production Corporation | | | 9 Elevation 6175' Estimated | |

10 Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| H | 27 | 26N | 13W | | 1980 | North | 790 | East | San Juan |

11 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|-----------------------------|--------------------|-----------------------|--------------|
| 12 Dedicated Acres E/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

| | | | | | |
|----|--|------------|--|--|--------------------------|
| 16 | | | | | 1980' |
| | | | | | 790' |
| | | | | | Dugan Prod. SF-078091 |
| | | Section 27 | | | |
| | | | | | |
| | | | | | |
| | | | | | |

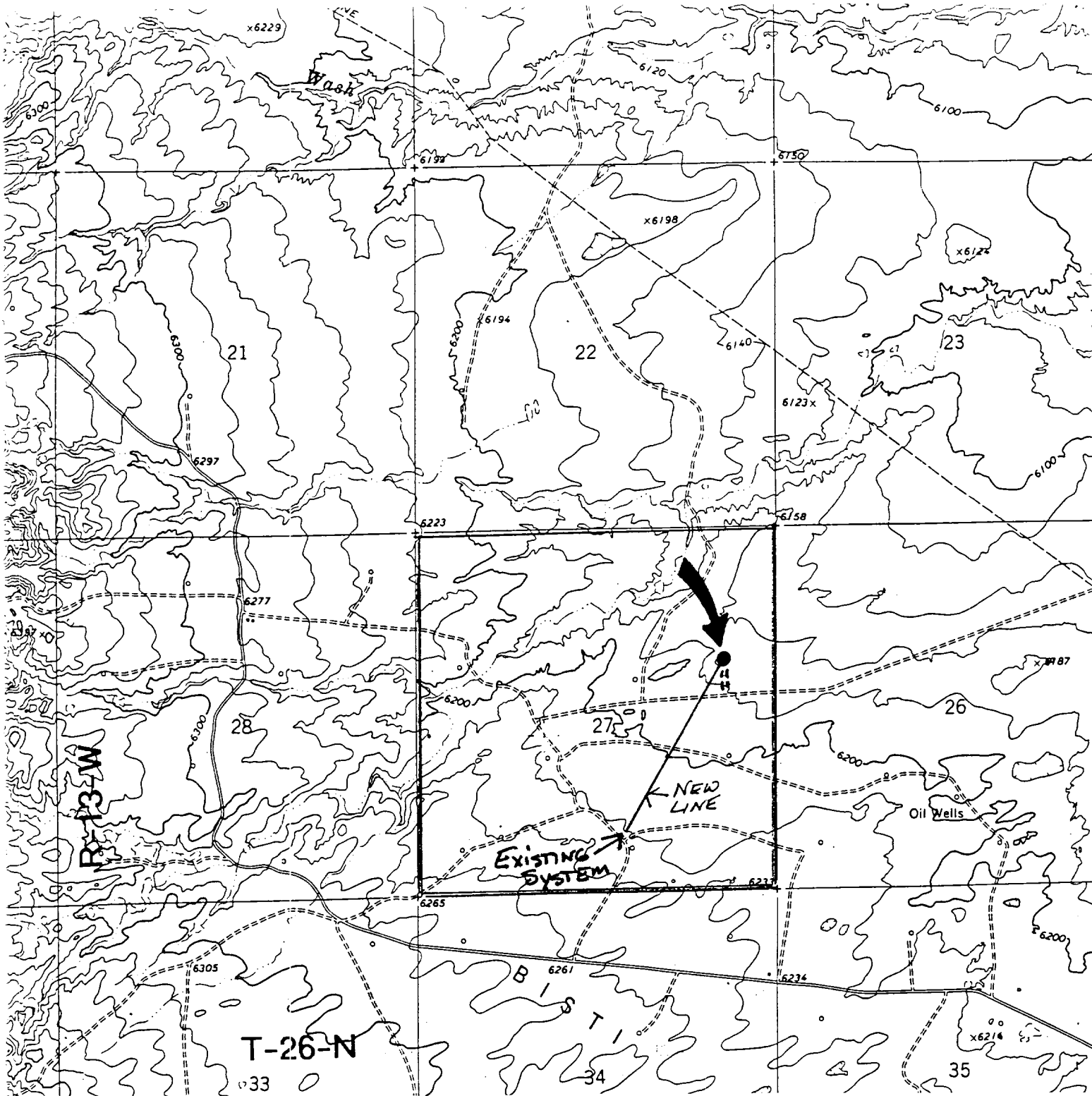
RECEIVED
JAN 12 1993
OIL CON. DIV.
DIST. 3

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

Sherman E. Dugan
Signature
Sherman E. Dugan
Printed Name
Vice-President
Title
June 3, 1997
Date

18 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 belief.

July 3, 1995
Date of Survey
Signature and Seal of Professional Surveyor:
Edgar L. Risenhoover
NEW MEXICO
5979
Professional Surveyor
Certificate Number 5979



Existing Roads

Exhibit E

Vicinity of nearest town or reference pt.
 Approx. 4 mi. SW of EPNG Chaco Plant

Type of surface dirt

Conditions good

Other _____

Reference map: USGS map

San Francisco Wash, NM

Planned Access Road(s)

Exhibit E

Width 14' Maximum grades 1%
 Drainage design as required
 Cuts & Fills as required
 Surfacing material none

Turnouts
 Culverts
 Gates
 Cattleguards
 Fence cuts
 Waterbars
 Access Road & Pipeline

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

DPC-Patriot #91