

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK  
 DRILL  DEEPEN

b. TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER

1. NAME OF OPERATOR  
 DUGAN PRODUCTION CORP. 6-515

3. ADDRESS AND TELEPHONE NO.  
 P.O. Box 420, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
 At surface: 885' FSL & 2240' FWL (SE/4 SW/4)  
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 approx. 5.5 SW of EPNG Chaco Plant

16. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)  
 885'

18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT.  
 approx. 1100' from DPC WBU #129

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 6282' (est) GL

5. LEASE DESIGNATION AND SERIAL NO.  
 SE 078091

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARMOR LEASE NAME, WELL NO.  
 Patriot #93 13898

9. AN WELL NO.  
 30-045-265 L3

10. FIELD AND POOL, OR WILDCAT  
 Basin Fruitland Coal 716 29

11. SEC., T., R., M., OR BLK. AND SUBVEY OR AREA  
 Unit N,  
 Sec. 28, T26N, R13W

12. COUNTY OR PARISH  
 San Juan

13. STATE  
 NM

16. NO. OF ACRES IN LEASE  
 1920

17. NO. OF ACRES ASSIGNED TO THIS WELL  
 5/320

19. PROPOSED DEPTH  
 1435'

20. ROTARY OR CABLE TOOLS  
 Rotary

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'	50sx (59 cu.ft.) circ. to surf.
6-1/4"	4 1/2"	10.5#	1435'	180sx (371 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 1998  
 OIL CON. DIV.  
 DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zones and proposed new productive zones. 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.

SIGNED: Sherman E. Dugan TITLE: Vice-President DATE: 6/4/97  
 (This space for Federal or State official 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: /s/ Darro W. Spencer TITLE: \_\_\_\_\_ DATE: JAN - 8 1998

\*See Instructions On Reverse Side

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 APT Number 30-045-29513		2 Pool Code 71629		3 Pool Name Basin Fruitland Coal	
4 Property Code 13898		5 Property Name Patriot			6 Well Number 93
7 OGRID No. 006515		8 Operator Name Dugan Production Corporation			9 Elevation 6282' Estimated

10 Surface Location

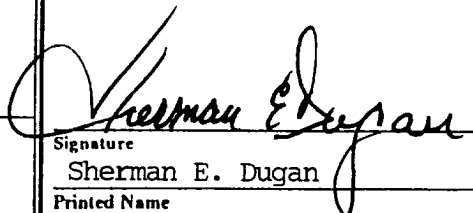
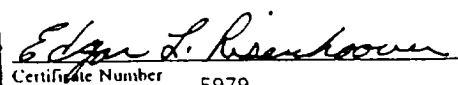
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	28	26N	13W		885	South	2240	West	San Juan

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 5/320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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	Section 28	<p style="text-align: center;"><b>RECEIVED</b>          JAN 12 1998  <b>OIL CON. DIV.</b>  <b>DIST. 3</b></p>	17 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 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. October 20, 1995 Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number 5979
Dugan Prod. SF-078091			
2240'	885'		

