

1 Burlington
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

98 JUN 19 PM 1:22

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

DUGAN PRODUCTION CORP.

6515

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

840' FSL & 2490' FWL (SE/4 SW/4)

At proposed prod. zone

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

Approx. 8 mi N of Dzilh-na-o-dith-hle School

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

840'

16. NO. OF ACRES IN LEASE

320

17. NO. OF ACRES ASSIGNED
TO THIS WELL

5/320

18. DISTANCE FROM PROPOSED LOCATION* approx. 1097'

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. from Huerfanito #5

19. PROPOSED DEPTH

6772'

20. ROTARY OR CABLE TOOLS

Rotary

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

6275' GR (est)

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
12-1/4"	8-5/8"	24#	320'	254' cf circ. to surface
7-7/8"	4-1/2"	10.5# & 11.6#	6772'	2326 cf circ. to surface

This section is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

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

Plan to drill a 12-1/4" hole and set 320' 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 Dakota formation. Plan to run IES and CDL logs. If determined productive, will run 4-1/2", 10.5# and 11.6#, J-55 casing with stage tool, selectively perforate, frac, clean out after frac and complete well.

RECEIVED
OCT 23 1998
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 prevention program, if any.

24.

SIGNED

Sherman E. Dugan

TITLE Vice-President

DATE June 18, 1998

(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

/S/ Duane W. Snencer

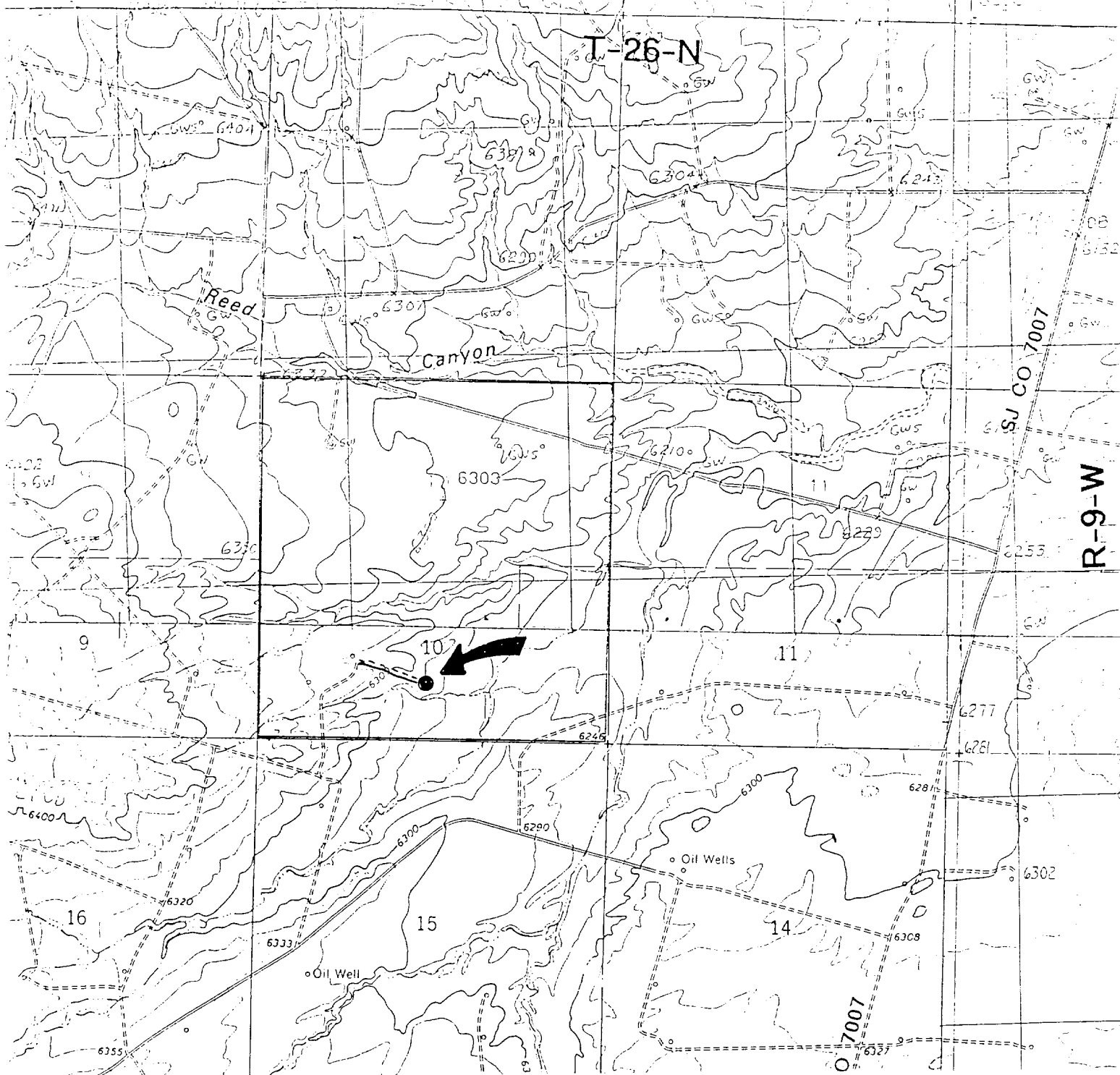
TITLE

NMOCB

DATE

OCT 20 1998

1000 C-104 FOR NSU
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.



Existing Roads Exhibit E

Proximity of nearest town or reference pt.
 Approx 8 mi. N of Dzilh-na-o-dith-hle School

Type of surface dirt

Conditions good

Other

Reference map: USGS map Fresno Canyon NM1985;
Thompson Mesa NM1985; Huerfano Peak NM1985 &
Huerfano Trading Post, NM.

Dugan Production Corp. - Huerfano #5R

Planned Access Road(s) Exhibit E

Width 20' Maximum grades 2%

Drainage design as required

Cuts & Fills as required

Surfacing material none

☒ Turnouts ☒ Waterbars

☒ Culverts

☒ Gates

☒ Cattleguards ☒ Access Road & Pipeline

☒ Fence cuts

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