

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WORK DRILL ☒ DEEPEN ☐		2. NAME OF OPERATOR DUGAN PRODUCTION CORP.		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 or Federal regulations) At surface 1600' FNL & 790' FEL (SE/4 NE/4) At proposed prod. zone		5. LEASE DESIGNATION AND SERIAL NO. NM 37912		6. IF INDIAN, ALLOTTEE OR TRIBE NAME		7. UNIT AGREEMENT NAME		8. NAME OR LEASE NAME, WELL NO. Kingfish Com #90		9. API WELL NO. 30 045 29832		10. FIELD AND POOL, OR WILDCAT Basin Fruitland Coal		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Unit H Section 3, T26N, R13W		12. COUNTY OR PARISH San Juan		13. STATE NM	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE Approx. 11 mi NW of Carson Trading Post, NM		15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drilg. unit line, if any) 790'		16. NO. OF ACRES IN LEASE 159.81		17. NO. OF ACRES ASSIGNED TO THIS WELL N/320 319.56		18. PROPOSED DEPTH 1375'		19. ROTARY OR CABLE TOOLS Rotary		20. APPROX. DATE WORK WILL START ASAP		21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6083' GR (est)		22. APPROX. DATE WORK WILL START		23. PROPOSED CASING AND CEMENTING PROGRAM		24. 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.					
25. SIGNED Chorman E. Dugan (This space for Federal or State office use)		26. TITLE Vice-President		27. DATE 8/31/98		28. PERMIT NO.		29. APPROVAL DATE		30. 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.		31. CONDITIONS OF APPROVAL, IF ANY:		32. APPROVED BY /S/ Duane W. Spencer Team Lead, Petroleum Management		33. TITLE DATE		34. *See Instructions On Reverse Side		35. 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.					

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.

THIS action 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"

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 Chorman E. Dugan TITLE Vice-President DATE 8/31/98
(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. Spencer TITLE Team Lead, Petroleum Management DATE _____

*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.

NMOCD

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 29832		2 Pool Code 71629		3 Pool Name Basin Fruitland Coal	
4 Property Code 003732 24277		5 Property Name Kingfish Com			6 Well Number 90
7 OGRID No. 006515		8 Operator Name Dugan Production Corporation			9 Elevation 6083' 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	3	26N	13W	H	1600	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 320 318 56	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 Dugan Production Corp. NM 1336		Dugan Prod. NM 37912		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature <u>Sherman E. Dugan</u> Printed Name <u>Sherman E. Dugan</u> Title <u>Vice-President</u> Date <u>8/31/98</u>	
Section 3		Pipeline Road		18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field surveys made by me or under my supervision and the same is true and correct to the best of my knowledge and belief Ma <u>5979</u> Date of Survey <u>8/31/98</u> Signature <u>Edgar L. Risenhoover</u> Professional Surveyor Certificate Number 5979	

Existing Roads

Exhibit E

Planned Access Road(s)

Exhibit E

Proximity of nearest town or reference pt.
approx. 11 mi NW of Carson Trading Post, NM

Type of surface dirt

Conditions good

Other _____

Reference map: USGS map Hugh Lake, NM (10'
contour intervals) DUGAN PRODUCTION CORP.
KINGFISH COM #90

Width 20' Maximum grades _____

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.

No new access is required

ALL CONSTRUCTION ON LEASE

