

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		98 SEP -2 AM 9:03	
b. 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"/>	
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 requirements.) At surface 1620' FSL & 1760' FWL (NE/4 SW/4) At proposed prod. zone			
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* Approx. 5.5 mi W 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)		16. NO. OF ACRES IN LEASE	
880'		1760	
13. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. DPC Rachel #1 P&A		19. PROPOSED DEPTH	
approx. 977' from		1310'	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6222' GR (est)		22. APPROX. DATE WORK WILL START* ASAP	

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'	60sx (71 cu ft.) circ. to surf.
6-1/4"	4 1/2"	10.5#	1310'	130sx (215 cu ft.) circ. to surf.

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.

\*Non-Standard Proration Unit Application will be submitted to New Mexico Oil & Gas Commission.

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 OBSERVANCE 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.

24. SIGNED Norman E. Dugan TITLE Vice-President DATE 8/31/98  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE FEB 19 1999

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.

NMOC

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

RECEIVED  
FEB 22 1999  
070 FARMINGTON, NM

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* AIT Number 30 045 29835		* Pool Code 71629	* Pool Name Basin Fruitland Coal
* Property Code 003812	* Property Name Rachel		* Well Number 91
* OGRID No. 006515	* Operator Name Dugan Production Corporation		* Elevation 6222' 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
K	34	26N	12W	K	1620	South	1760	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 160	13 Joint or Infill	14 Consolidation Code	15 Order No. Non-Standard Proration Unit Application to be submitted.
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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  NSP 1569 NW/4  Section 34  1760'  Dugan Production NM-61  1620'	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  Signature Sherman E. Dugan Printed Name Vice-President Title 8/31/91 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.  March 8, 1998 Date of Survey Signature and Seal of EDGAR E. RISENHOVER NEW MEXICO 5979 PROFESSIONAL SURVEYOR Certificate Number