

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1.a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

Oil ☐Gas ☐Well ☐Well ☒Other ☐SINGLE ☐ZONE ☒MULTIPLE ☐ZONE ☐

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325-1821

LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface 1755' FSL & 997' FEL (NE/4 SE/4)

At proposed prod. zone

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

Approx. 2.0 miles W of EPNG Chaco Plant

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drig, unit line, if any)

885'

16. NO. OF ACRES IN LEASE

160

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

SE

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.approx. 265' from
DPC Dome Nav.

19. PROPOSED DEPTH

1215'

20. ROTARY OR CABLE TOOLS

Rotary

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

5980' GL

~~This action is subject to technical and~~
procedural review pursuant to 43 CFR 3105.3
and appeal pursuant to 43 CFR 3105.4.

22. APPROX. DATE WORK WILL START*

ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADES, SIZES OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-7/8"	7"	20#	120'	60 sx (71 cu ft) circ to surf
6-1/4"	4-1/2"	10.5#	1215'	125 sx (204 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 Pictured Cliffs 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.

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLY 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

Title Vice-President

Date 7/7/2000

Sherman E. Dugan

(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/ Jim Lovato

Title

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.

HOLD C104 FOR change of State to Dome Navajo P-2413#1

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 <u>30 310</u>		2 Pool Code 87190		3 Pool Name WAW Fruitland Sand/PC		
4 Property Code 003640		5 Property Name Dome Navajo 13-26-13			6 Well Number 1R	
7 OGRID No. 006515		8 Operator Name Dugan Production Corporation			9 Elevation 5980'	

10 Surface Location

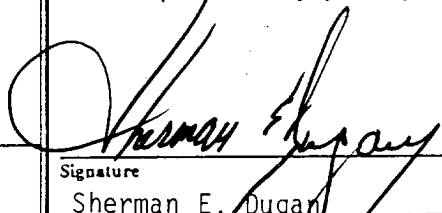
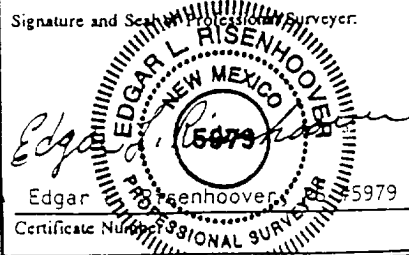
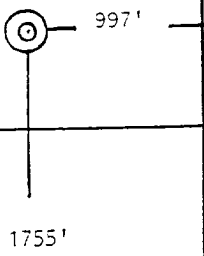
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	13	26N	13W		1755	South	997	East	San Juan

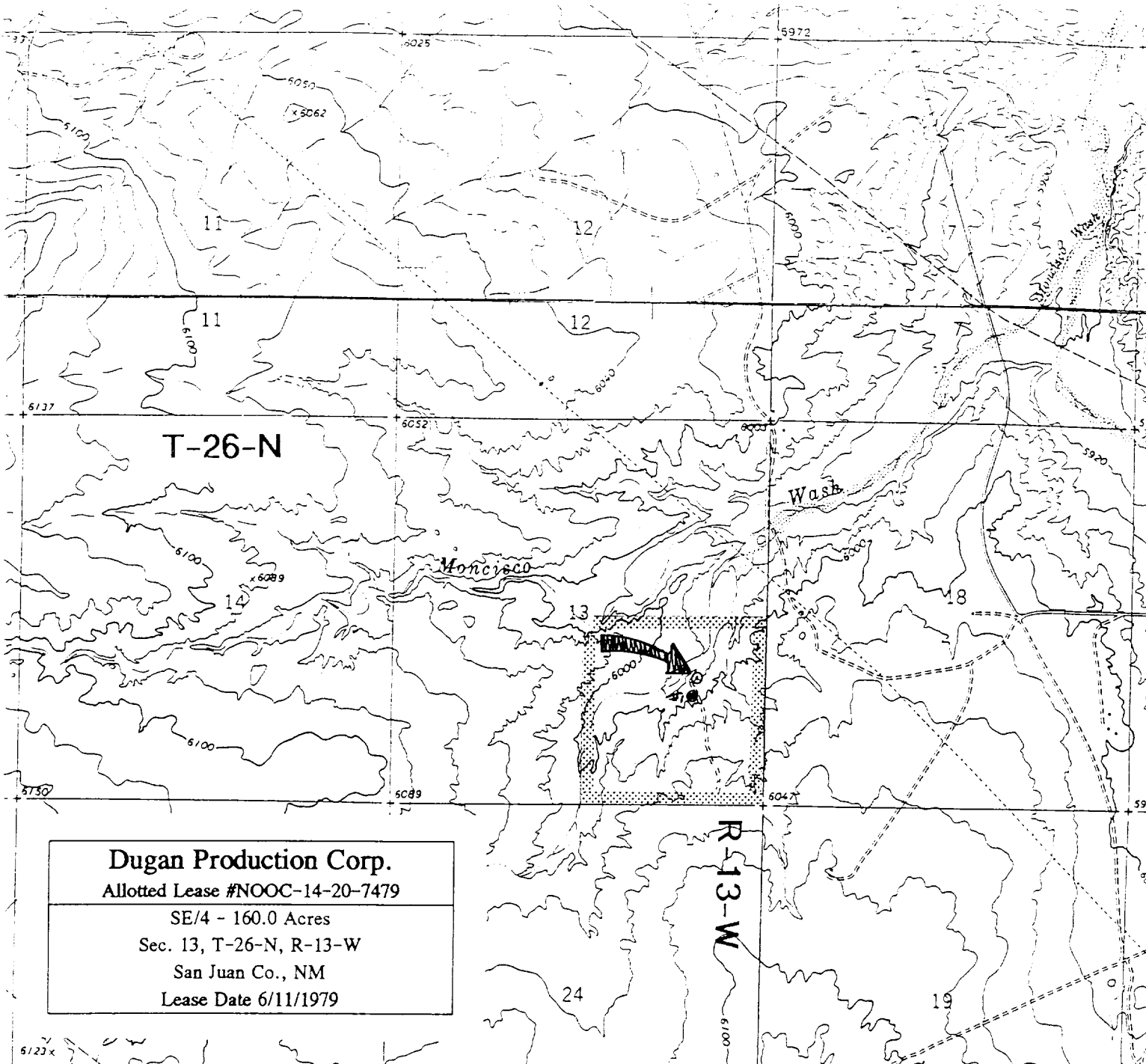
11 Bottom Hole Location If Different From Surface

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 160 <u>SE</u>	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				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 July 7, 2000 Date	
Section 13				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. April 12, 2000 Date of Survey Signature and Seal of Professional Surveyor:  Edgar L. Risenhoover Certificate Number 5979	
Dugan Prod. & Hegarty & Assoc NOOC-14-20-7479 					



Dugan Production Corp.

Allotted Lease #NOOC-14-20-7479

SE/4 - 160.0 Acres

Sec. 13, T-26-N, R-13-W

San Juan Co., NM

Lease Date 6/11/1979

Existing Roads

Exhibit E

Vicinity of nearest town or reference pt.
Approx. 2 mi. West of EPNG Chaco Plant

Type of surface dirt

Conditions good

Other _____

Reference map: USGS map Moncisco Wash, NM

DUGAN PRODUCTION CORP.

Dome Navajo 13-26-13 #1R

Planned Access Road(s)

Exhibit E

Width _____ Maximum grades _____

Drainage design as required

Cuts & Fills as required

Surfacing material none

Turnouts

Culverts

Gates

Cattleguards

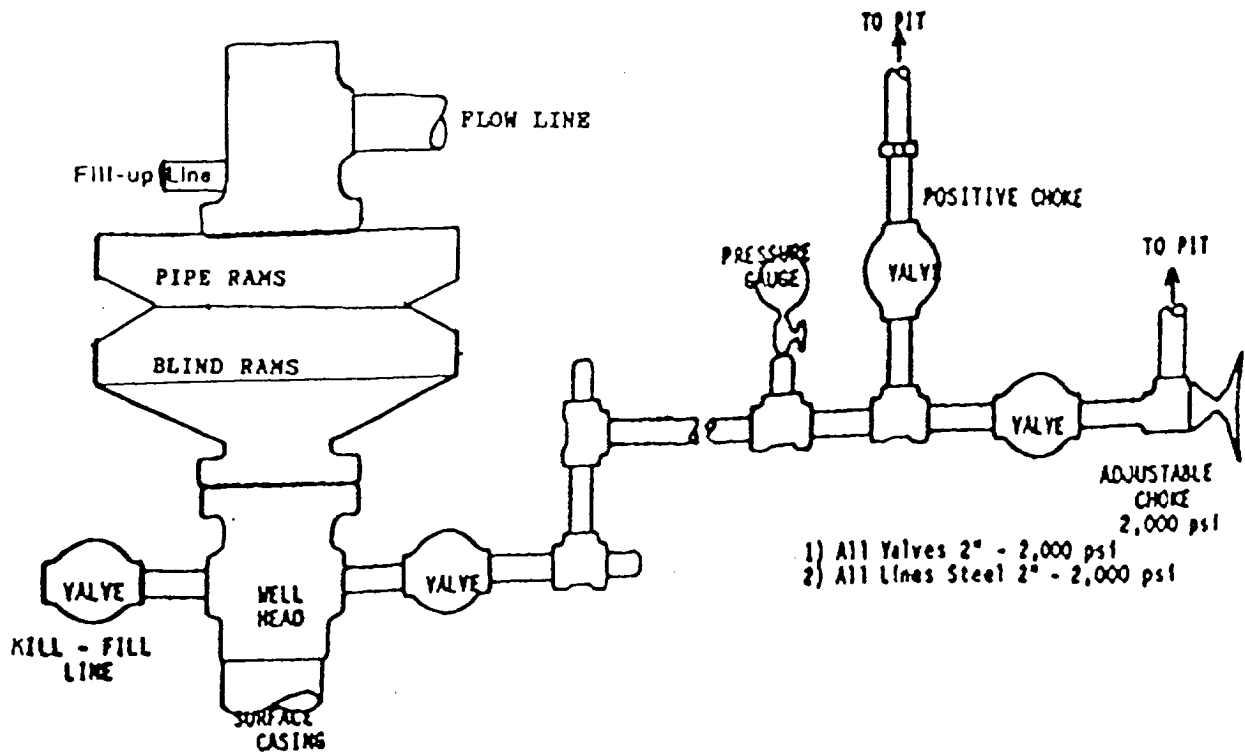
Fence cuts

Waterbars

Access Road &
Pipeline

Access road(s) do do not cross Fed/Ind land.
No new access required

B.O.P. WITH CHOKE MANIFOLD



BOP and Related Equipment will include for a 2000 psi system:

2000 PSI DOUBLE RAM BLOWOUT PREVENTER

Kill line (2" minimum)

1 kill line valve (2" minimum)

1 choke line valve

2 chokes

Upper kelly cock valve with handle available

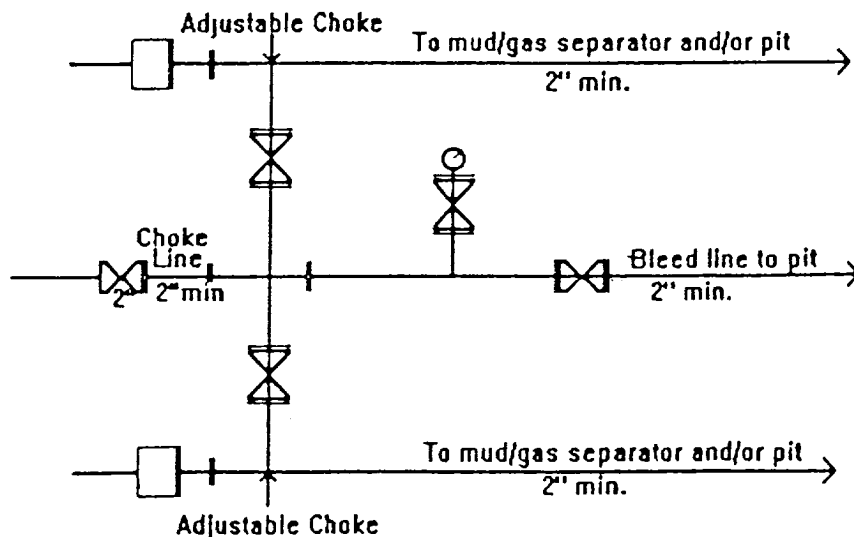
Safety valve and subs to fit all drill string connections in use

Pressure gauge on choke manifold

2" minimum choke line

Fill-up line above the uppermost preventer

BOP equipment will be tested as required in Section III A.1 of Onshore Order 2, plus a 30% safety factor.



2M Choke Manifold Equipment - Configuration May Vary

DUGAN PRODUCTION CORP.
DOME NAVAJO 13-26-13 #1R
EXHIBIT D