

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐OTHER ☐SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Dugan Production Corp.

3. ADDRESS OF OPERATOR

Box 208, Farmington, NM 87401

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

At surface

I At proposed prod. zone

1820' FSL - 900' FEL

5. LEASE DESIGNATION AND SERIAL NO.

NM 10758

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Pittam Pond

9. WELL NO.

2

10. FIELD AND POOL, OR WILDCAT

Meadows Gallup *ext*11. SEC., T., R., M., OR BLE.
AND SURVEY OR AREA

Sec 34 T30N R15W

12. COUNTY OR PARISH

San Juan

13. STATE

NM

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

1-1/2 miles north of Kirtland, NM

15. DISTANCE FROM PROPOSED*

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

900'

16. NO. OF ACRES IN LEASE

1676.88

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

approx. 1 mi.

19. PROPOSED DEPTH

4600'

20. ROTARY OR CABLE TOOLS

Rotary

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

5356' GR

22. APPROX. DATE WORK WILL START*

Dec. 10, 1979

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	225'	125 sx
7-7/8"	4-1/2"	10.5#	4600'	550 sx

Plan to drill with mud to test the Gallup Formation. Plan to run IES and CDL logs to TD. If productive, will set 4-1/2" casing, cement in two stages, selectively perforate, frac, clean out after frac, run 1-1/4" tbg and complete well.

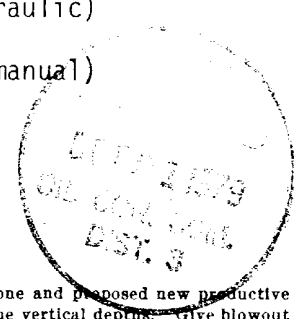
Plan to use BOP furnished by rig while drilling (10" 3000 psi hydraulic)

Plan to use BOP rental while completing (6" 3000 psi double gate manual)

NMERB: Gas not dedicated.

RECEIVED

OCT 25 1979

U. S. GEOLOGICAL SURVEY
FARMINGTON, N. M.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, 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 Petroleum Engineer

DATE 10-22-79

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

NMOCC

*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-122
Effective 1-1-65

All distances must be from the outer boundaries of the Section

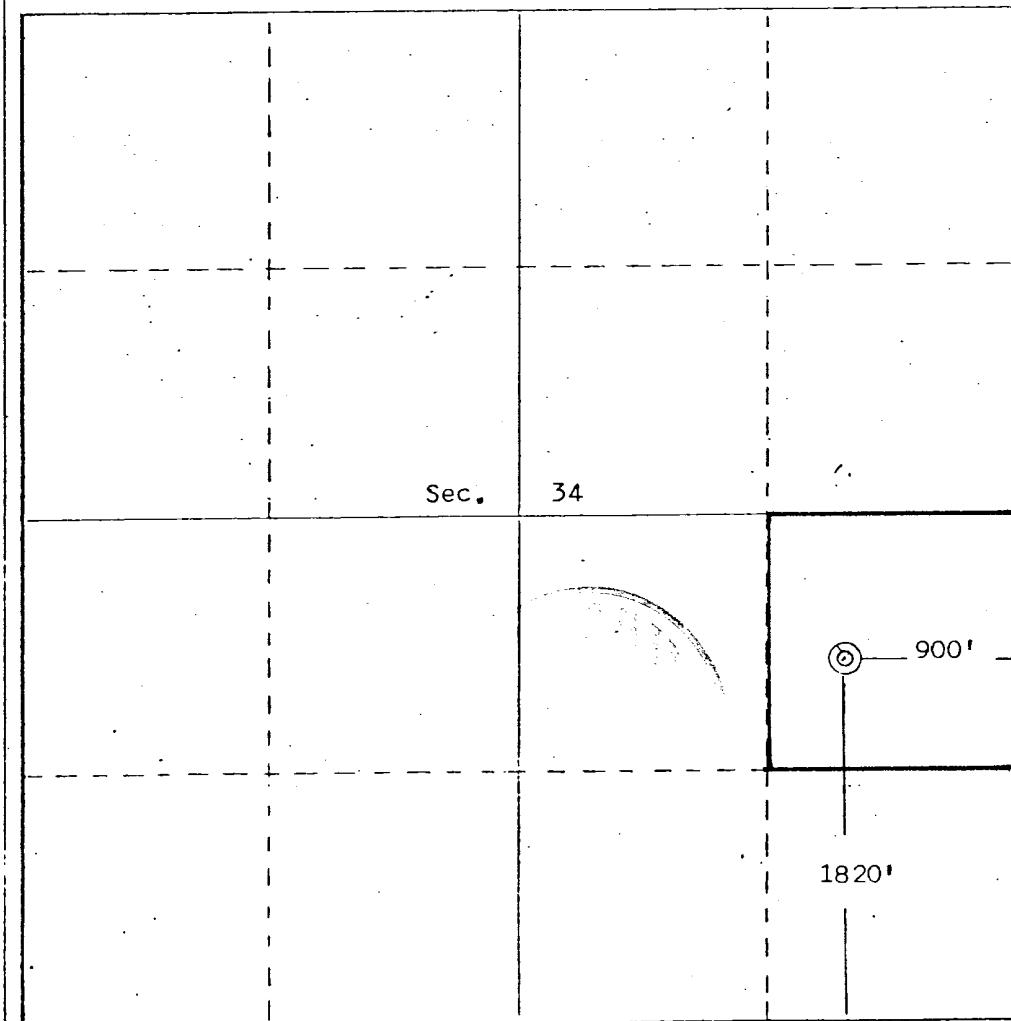
Operator Dugan Production Corporation			Lessee Pittam Pond		Well No. 2
Unit Letter I	Section 34	Township 30 North	Range 15 West	County San Juan	
Actual Footage Location of Well: 1820 feet from the South line and 900 feet from the East line					
Ground Level Elev. 5356	Producing Formation Gallup		Pool Meadows	Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name Thomas A. Dugan

Position

Petroleum Engineer

Company

Dugan Production Corp.

Date

10-22-79

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 knowledge and belief.

Date Surveyed

October 19, 1979

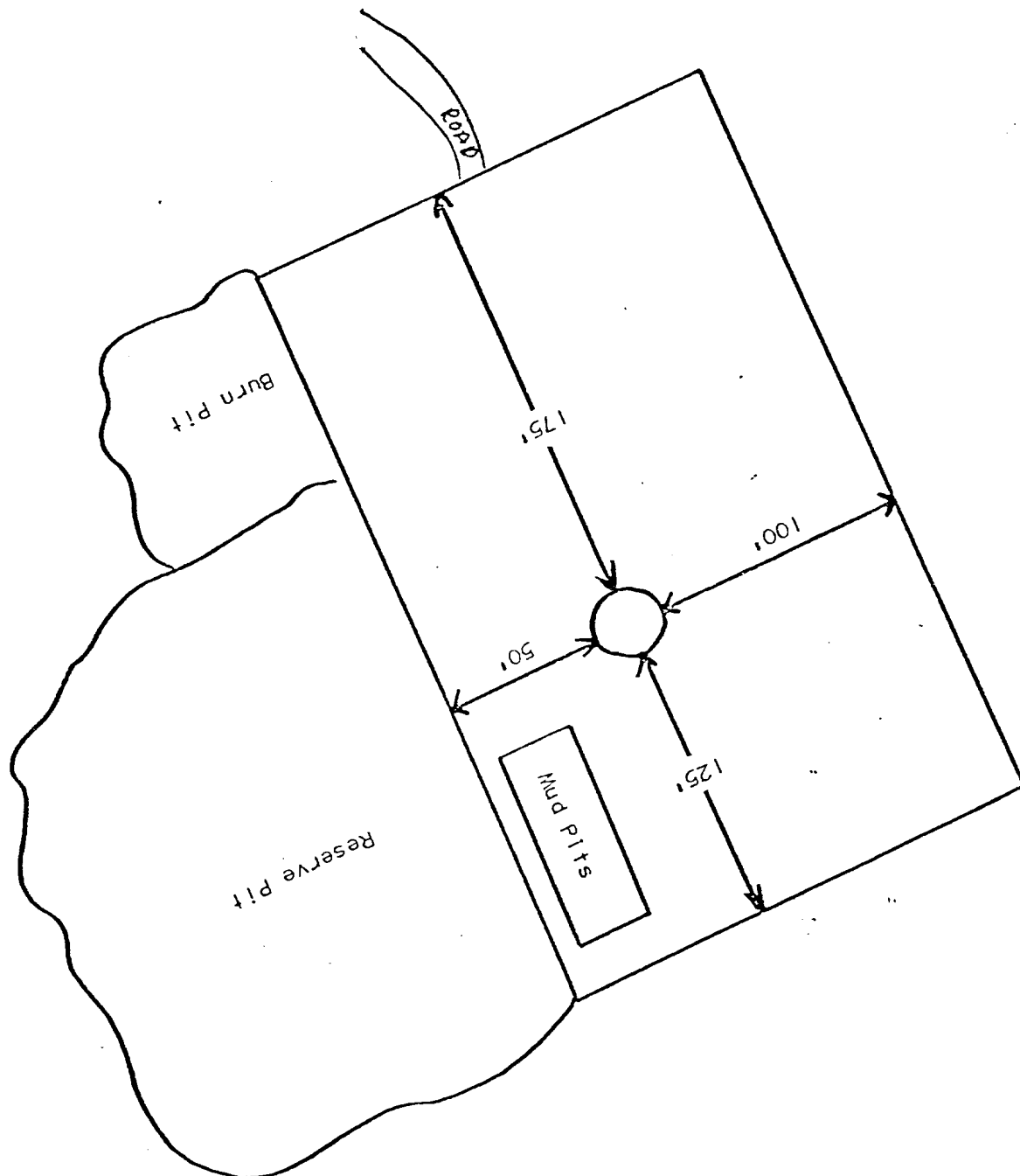
Registered Professional Engineer and/or Land Surveyor

Edgar L. Risenhoover

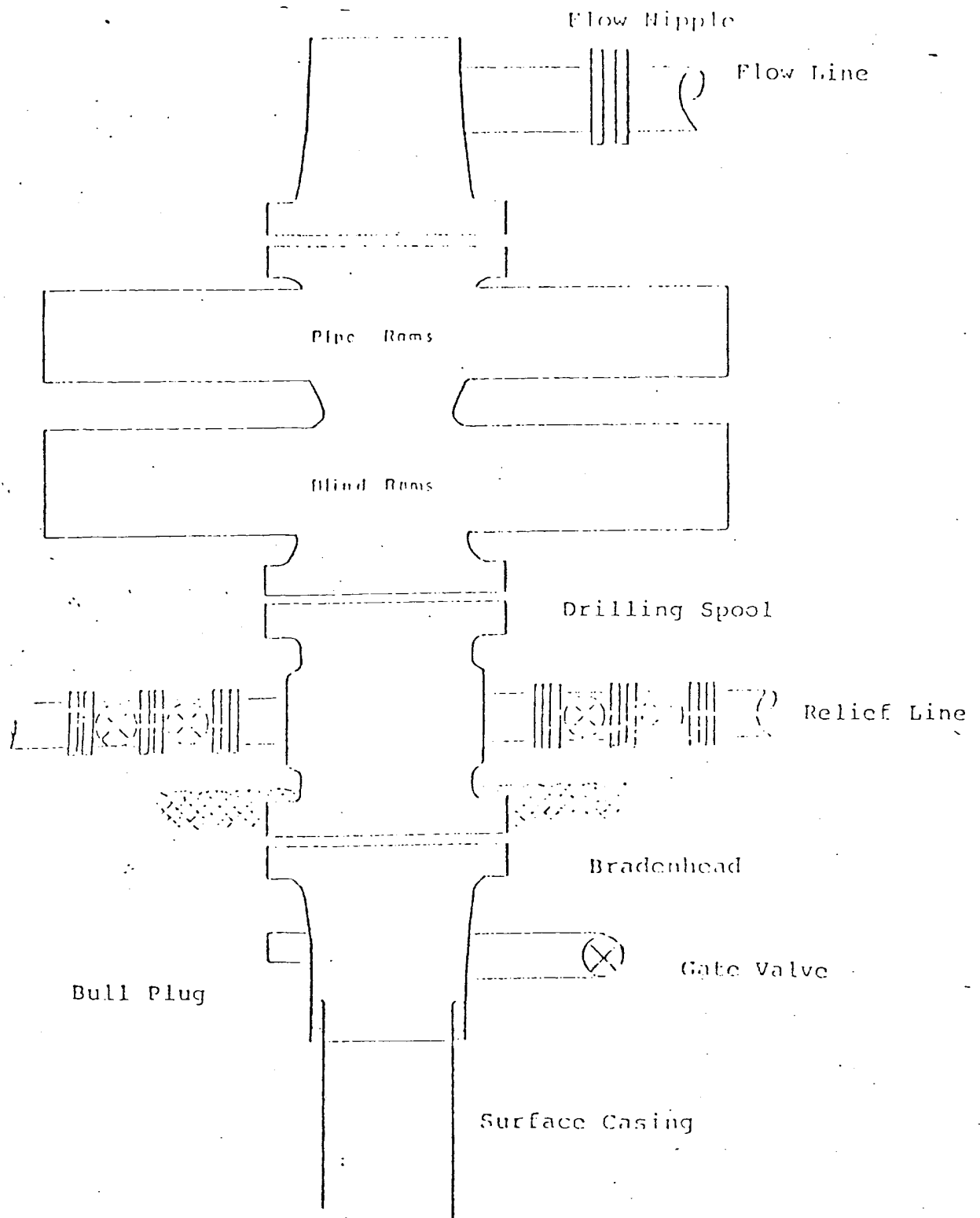
Certificate No. 5979

Edgar L. Risenhoover, L.S.

Dugan Production Corp.
Pittam Pond #2
PROPOSED LOCATION LAYOUT

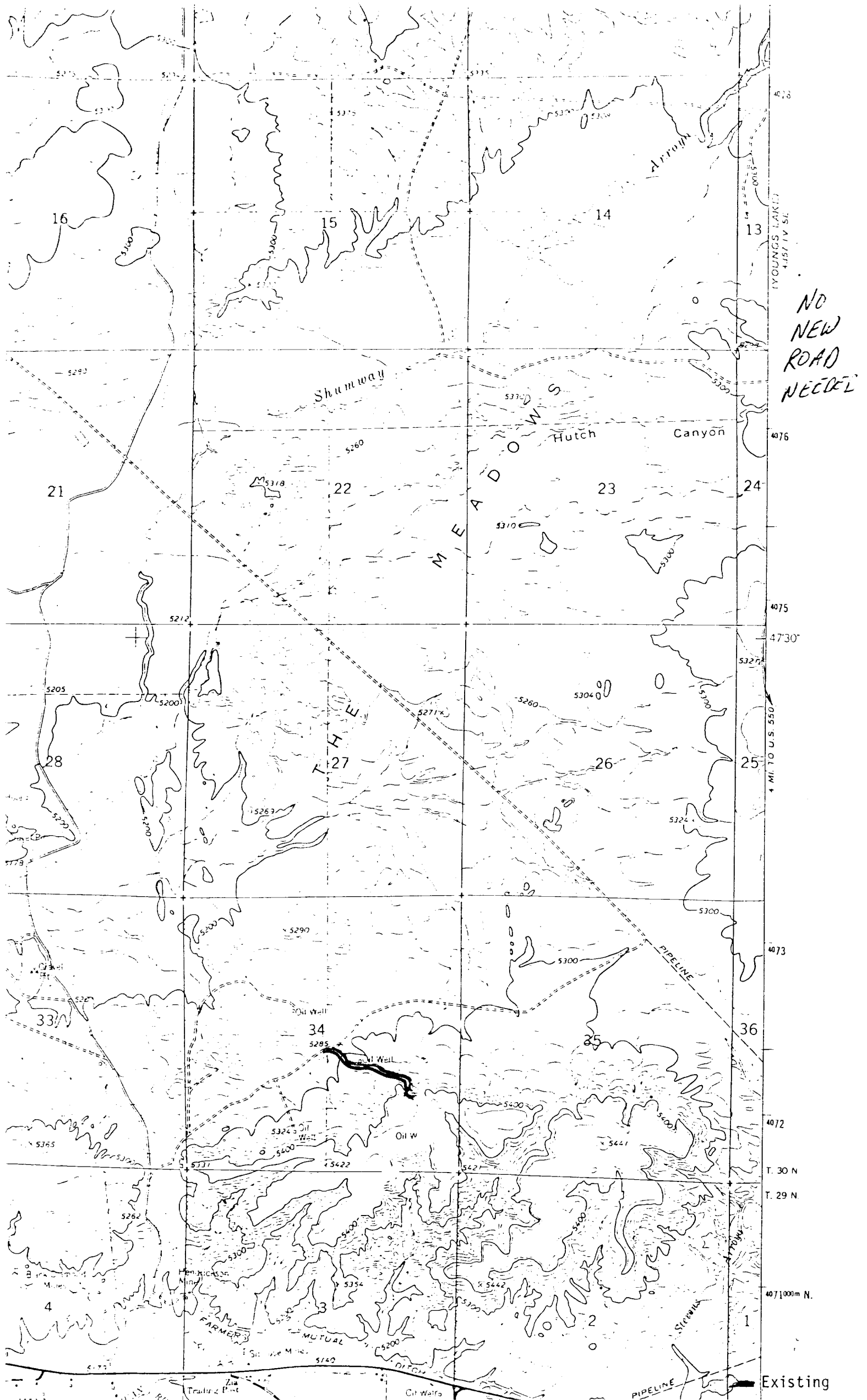


Typical B.O.P. Installation
for Gallup Well



Series 900 Double Gate BOP, rated
at 3000 psi Working Pressure

When gas drilling operations begin a Shaffer type
50 or equivalent rotating head is installed on top of
the flow nipple and the flow line is converted into
a blowie line.



OPERATIONS PLAN

OPERATOR: Dugan Production Corp.
WELL NAME: Pittam Pond #2
FIELD: Meadows Gallup
LOCATION: 1820' FSL - 900' FEL, Sec 34 T30N R15W, San Juan County, New Mexico
ELEVATION: 5356' GR

EXPECTED FORMATION TOPS:	Ojo Alamo	Point Lookout	2860'
	Kirtland	Mancos	3200'
	Fruitland	Gallup	4130'
	Pictured Cliffs 400'	Greenhorn	
	Lewis 525'	Graneros	
	Cliff House 1925'	Dakota	
	Menefee 1980'	Total Depth	4600'

LOGGING PROGRAM: IES & CDL

SAMPLES:

CASING PROGRAM

<u>Hole Size</u>	<u>Depth</u>	<u>Csg Size, Wt, Grade, & Condition</u>	<u>Cementing Program</u>
12-1/4"	225'	8-5/8" 24#8R ST&C csg	Cement w/125 sx class "B" w/2% gel
7-7/8"	6125'	4-1/2" OD 10.5# 8R ST&C csg	1st stage 150 sx class "B" w/8% gel and 1/4# flocele per sx 2nd stage 300 sx 65-35 w/12% gel and 1/4# flocele per sx followed by 100 sx class "B" w/4% gel and 1/4# flocele per sx.

WELLHEAD EQUIPMENT

Office	-	325-0238
Tom Dugan		325-5694
Jim Jacobs		325-8353
Kurt Fagrelus		334-3381
Bill Donovan		325-5692
James Hazen		

DEVELOPMENT PLAN

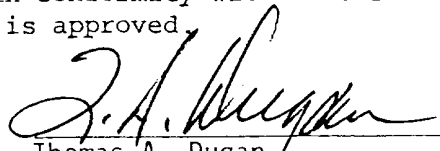
---Dugan Production Corp.

---Pittam Pond #2---

1. Existing roads and existing wells are shown on attached plat.
2. Planned access from existing road approximately 0' to new location. Will leave natural grass and small vegetation on roadway. Will remove large brush or trees from road. Do not plan to make road grade or bar ditches. Will bottom-out any arroyo we cross and not install culverts.
3. Location of well: 1820' FSL - 900' FEL
Sec 34 T30N R15W
San Juan County, New Mexico
4. One additional well(s) planned on this lease at this time.
5. Separator and flow line will be located within 50' of wellhead.
6. Water will be secured from San Juan River.
7. Waste materials will be buried on location or in reserve pit.
8. No permanent camp is planned; trailer house will be used on location while drilling.
9. Do not plan to build airstrip.
10. See attached plat for proposed location layout.
11. A general description of the topography, soil characteristics, geologic features, flora and fauna; other surface-use activities and surface ownership of involved lands, proximity of water, occupied dwellings, archeological, historical or cultural sites can be found in the archeologist's report.
12. Geologic name of surface formation: Undifferentiated Tertiary
13. Estimated tops of important geologic markers:
See Operations Plan
14. Estimated depths of anticipated water, oil, gas, or other mineral bearing formations which are expected to be encountered:
gas - Pictured Cliffs - 400' oil - Gallup - 4130'
15. We do not anticipate to encounter any abnormal pressures or temperatures or any potential hazards such as those associated with hydrogen sulfide.
16. Will clean up location, fill and level pits, level ruts in road, reseed location and road with Seed Mixture #2 and paint equipment with Sandstone Brown.
17. Operator's Representative:
Thomas A. Dugan
Box 234
Farmington, NM 87401
18. Certification: The following statement must be signed by the lessee's or operator's field representative who is identified in Item #17 of the Plan:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this Plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Dugan Production Corp. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Date: 10-23-79


Thomas A. Dugan