

Submit to Appropriate District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

6 NMOCD  
1 File

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by OCD on New Wells)

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

8-11571

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:

DRILL ☐

RE-ENTER ☐

DEEPEN ☐

PLUG BACK ☒

b. Type of Well:

OIL  
WELL ☐

GAS  
WELL ☒

OTHER ☐

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

7. Lease Name or Unit Agreement Name

Stella Needs a Com

2. Name of Operator

DUGAN PRODUCTION CORP.

8. Well No.

1

3. Address of Operator

P.O. Box 420, Farmington, NM 87499

9. Pool name or Wildcat

Basin Fruitland Coal

4. Well Location

Unit Letter

K

: 1650

Feet From The South

Line and 1650

Feet From The West

Line

Section 36

Township

30 North

Range

14 West

NMMP

San Juan

County

10. Proposed Depth

11. Formation

12. Rotary or C.T.

13. Elevations (Show whether DF, RT, GR, etc.)

5592' GL

14. Kind & Status Plug. Bond

statewide

15. Drilling Contractor

16. Approx. Date Work will start

9-1-90

17. PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP

It is proposed that existing Dakota perms be abandoned, the wellbore plugged back to 1300', and the Fruitland Coal be completed for production.

---SEE ATTACHED PAGE FOR COMPLETE PROCEDURE---

RECEIVED  
AUG 23 1990  
OIL CON. DIV  
DIST. 3

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. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE

*Jim L. Jacobs*

TITLE

Vice-President

DATE

9-22-90

TYPE OR PRINT NAME

Jim L. Jacobs

TELEPHONE NO. 325-1821

(This space for State Use)

APPROVED BY

*Samuel H. ...*

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*Hold 6-104 FOR CA*

# OIL CONSERVATION DIVISION

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## WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator DUGAN PRODUCTION CORP.			Lease Stella Needs A Com		Well No. 1
Unit Letter K	Section 36	Township 30 North	Range 14 West	County San Juan	
Actual Footage Location of Well: 1650 feet from the South line and 1650 feet from the West line					
Ground level Elev. 5592'	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal	Dedicated Acreage: 333.80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

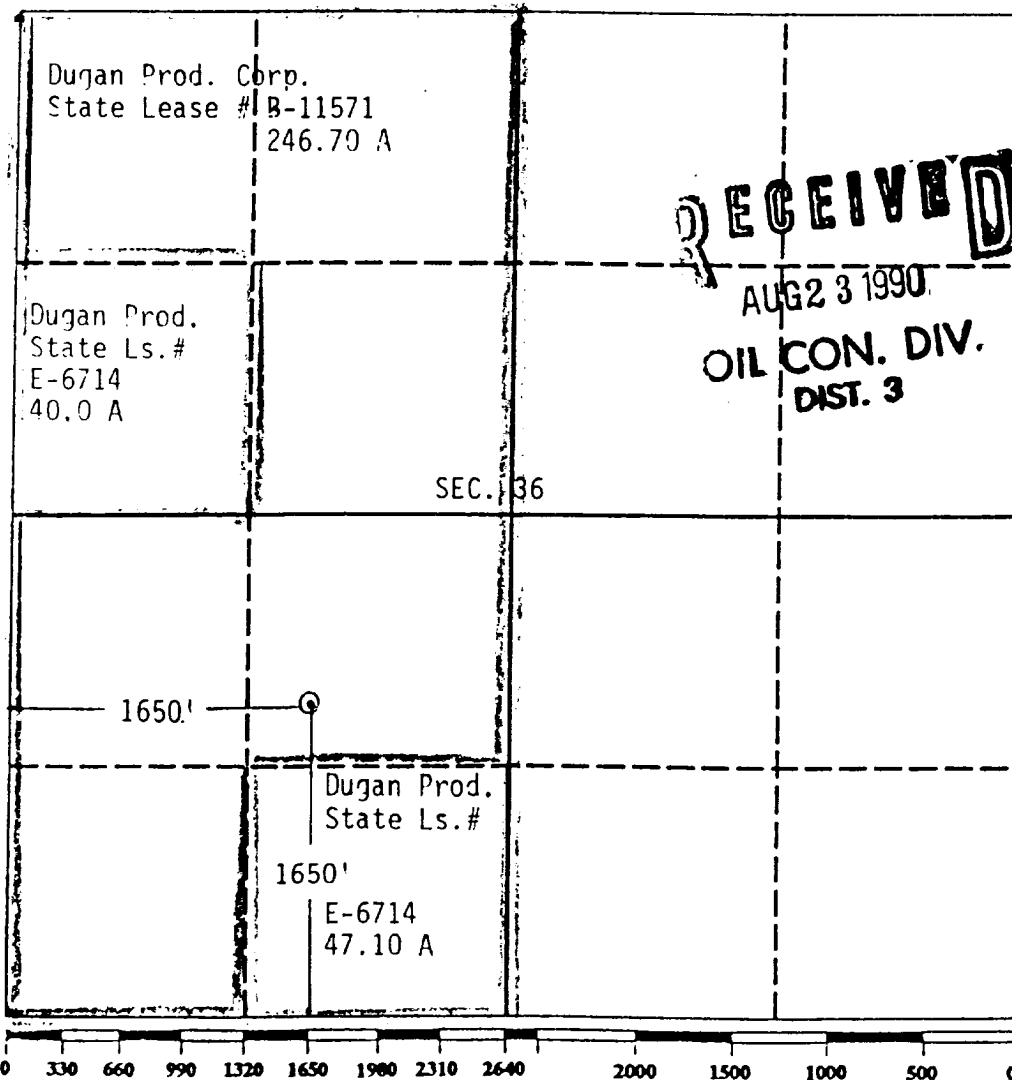
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ Yes ☒ No

If answer is "yes" type of consolidation Will be communitized Leases are

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of currently communitized for  
Dakota production.  
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 interest, has been approved by the Division.



### OPERATOR CERTIFICATION

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

Signature

Printed Name

Jim L. Jacobs

Position

Vice-President

Company

Dugan Production Corp.

Date

8-22-90

### 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 knowledge and belief.

Date Surveyed

Signature & Seal of  
Professional Surveyor

Redraft of plat surveyed  
4-27-61 by Stephen H.  
Kinney.

Certificate No.

803

Plugback & Recompletion Procedure  
Dugan Production Corp.  
Stella Needs a Com No. 1  
Unit K, Sec. 36, T30N, R14W  
Basin Fruitland Coal Pool

**RECEIVED**  
AUG 23 1990  
OIL CON. DIV  
DIST. 3

It is proposed that existing Dakota perms be abandoned, the wellbore plugged back to 1300', and the Fruitland Coal be completed for production.

Existing Dakota Perforations: 5851-74 (4 SPF), 5892-97 (4 SPF)

Casing: 8-5/8", 24#, J-55, 8 Rd cemented @ 268' with 150 sks regular cement w/2% HA-5. Cement circ. to surface.  
4-1/2", 10.5#, J-55, 8 Rd @ 6016' in 7-7/8" hole cemented with 100 sks regular cement + 8% gel followed by 50 sks regular cement. Had good circulation during cementing. Calc. top of cement = 5280' (assuming 50% excess).  
Casing leak @ ±3554' squeezed w/150 sks regular cement 3/81.

Procedure:

- 1.) Spot 15 sk (17.7 cf) class "B" cement plug in 4-1/2" casing 5900-5702'.
- 2.) Spot 15 sk (17.7 cf) class "B" cement plug in 4-1/2" casing 5478-5280'.
- 3.) Perforate 4-1/2" casing @ 4130' with 2 holes @ 180° and pump 40 sk (47.20 cf) plug. Leave 7.5 sks (8.85 cf) in casing 4130-4030'.
- 4.) Perforate 4-1/2" casing @ 2770' with 2 holes @ 180° and pump 40 sks (47.2 cf) plug. Leave 7.5 sks (8.85 cf) in casing 2770-2670'.
- 5.) Cement O.D. of 4-1/2" casing across Pictured Cliffs and Fruitland 1440' to ±800' as follows:
  - a.) Perf 4-1/2" casing @ 1440' with 4 jet shots phased @ 90°.
  - b.) Cement with 60 sks 2% Lodense followed by 125 sks class "B" cement.
  - c.) Displace cement to 1300' (10.6 sks - 12.5 cf left inside casing) and shut in with pressure on casing.
  - d.) Allow cement to set 24 hours.

Note:

- 1.) 9.0# mud to be placed between all cement plugs.
- 2.) Aztec office of NMOCD to be notified 24 hours prior to commencing plugback work.
- 3.) General procedure reviewed with Charlie Gholson on 8-15-90.

- 6.) Perforate Fruitland Coal 1140-47, 1174-77, and 1232-41' (depths from 8-6-61 Schlumberger IEL).
- 7.) Evaluate productivity and stimulate as necessary.