

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

P.O. Box 208, Farmington, NM 87499

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

At surface

1850' FNL & 1850' FEL

At proposed prod. zone

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

approx. 7 miles NE of Kirtland, NM

15. DISTANCE FROM PROPOSED*

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

530'

16. NO. OF ACRES IN LEASE

120

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160/160

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

1255'

20. ROTARY OR CABLE TOOLS

rotary

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

5596' GL

22. APPROX. DATE WORK WILL START*

rig availability

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7"	23#	90'	27 cubic feet circ. to surface
5-1/8"	2-7/8"	6.5#	1255'	185 cubic feet circ. to surface

Plan to drill with as little mud as possible, using the slim-hole technique to test the Fruitland-Pictured Cliffs formation. Plan to run IES log and if the well appears productive, will set 2-7/8" casing, cemented to surface. Will selectively perforate, possibly frac and clean out after frac.

(APD originally submitted for Gem of Gibraltar #1 (lease #NM 16595) on 7-15-82 for Dakota test; APD approved, see archeology report #CR82-39; APD rescinded 8-31-82, lease expired.)

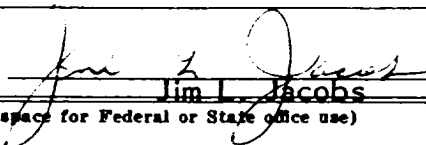
RECEIVED
DEC 03 1987

Gas is not dedicated.

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


Jim L. Jacobs

TITLE

Geologist

DATE

11-10-87

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

11/11/87 for average Consolidation
NMOC

*See Instructions On Reverse Side

Robert Moore

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

Operator Dugan Production Corporation		Lease Gibraltar		Well No. 1	
Unit Letter G	Section 9	Township 30 North	Range 14 West	County San Juan	
Actual Footage Location of Well: 1850 feet from the North line and 1850 feet from the East line					
Ground Level Elev. 5596	Producing Formation Fruitland/PC	Pool Wildcat / W.C.		Dedicated Acreage: 160 / 160 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 interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Will be Communitized

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 Division.

RECEIVED P.M. MAIL ROOM 67 NOV 16 AM 9:11 NORTHINGTON RESOURCE AREA SANTA FE, NEW MEXICO	SECTION 9	NM 63321 Dugan Prod. 100% 40A	NM 58896 Dugan Prod. 100% - W 40A
		NM 56318 Dugan Prod. 100% 40A	NM 55114 100% Dugan Prod. 120A

DEC 03 1987

CERTIFICATION

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

Name
Jim L. Jacobs

Position
Geologist

Company
Dugan Production Corp.

Date
11-10-87

I have personally located the location shown on this plat and from field notes and records made by me or under my supervision and that the same is correct to the best of my knowledge.

Date Surveyed
October 28, 1987

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover
Certificate No. 5979
Edgar L. Risenhoover, I.S.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
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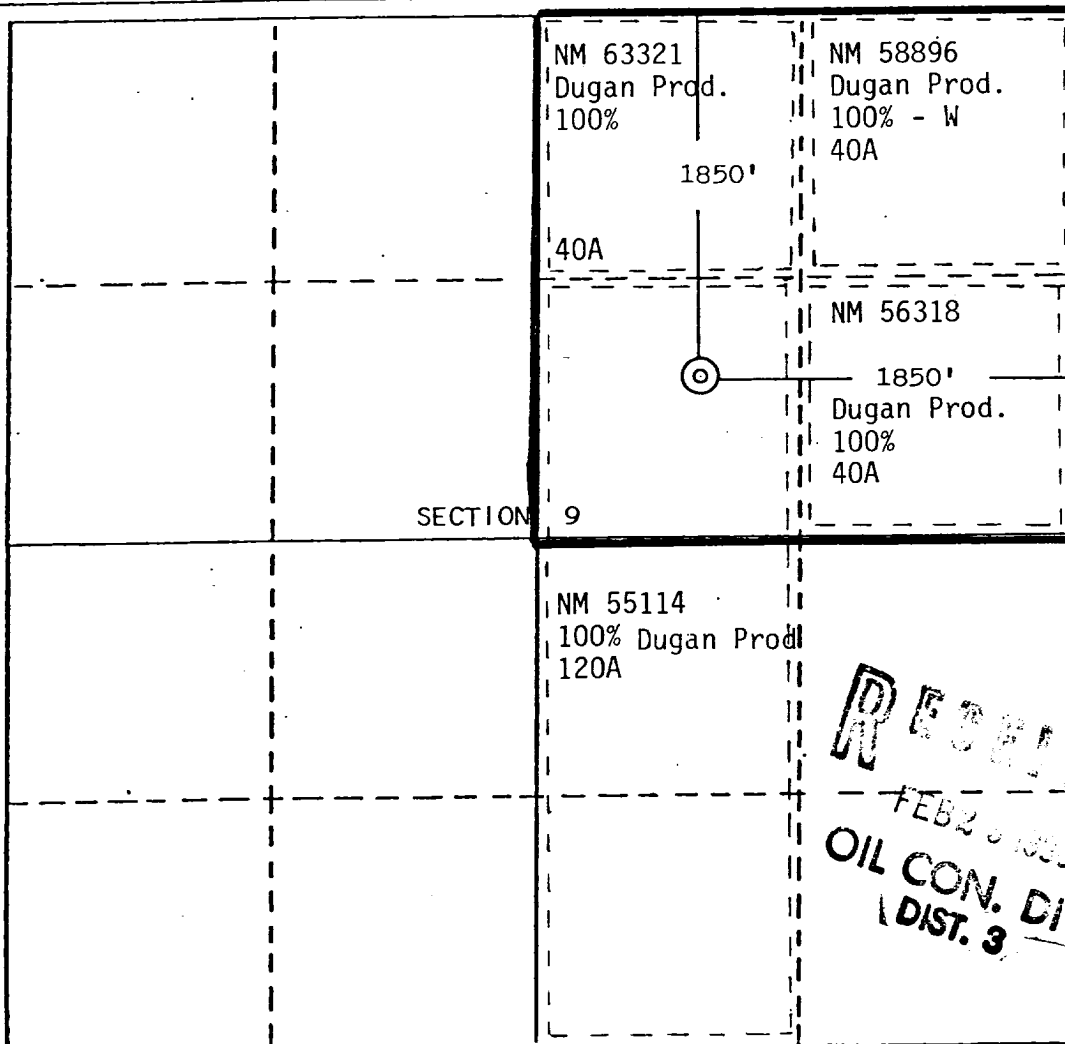
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3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitization Number NM 68523
Effective 11-11-87

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Name
Jim L. Jacobs

Position
Geologist

Company
Dugan Production Corp.

Date
2-22-88

I have personally located the location shown on this plat and from field notes and observations 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
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