

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

5. LEASE DESIGNATION AND SERIAL NO.

NM-10561

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Atlantis

9. WELL NO.

2

10. FIELD AND POOL, OR WILDCAT

Basin Dakota

11. SEC., T., R., M., OR BLK.  
AND SURVEY OR AREA

Sec. 3, T30N, R14W, NMPM

12. COUNTY OR PARISH 13. STATE

San Juan

NM

## 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 5820, Farmington, NM 87499-5820

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

At surface

790' FNL &amp; 1850' FEL

At proposed prod. zone

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

approx. 6 miles North of Kirtland, NM

15. DISTANCE FROM PROPOSED\*

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

790'

16. NO. OF ACRES IN LEASE

1397.16

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION\* 75' from proposed  
TO NEAREST WELL, DRILLING, COMPLETION,  
OR APPLIED FOR, ON THIS LEASE, FT. DPC Atlantis #4

19. PROPOSED DEPTH

6075'

20. ROTARY OR CABLE TOOLS

Rotary

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

5641' GL; 5653' RKB

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED

22. APPROX. DATE WORK WILL START\*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

This action is subject to technical and  
procedural review pursuant to 43 CFR 3185.3  
and appeal pursuant to 43 CFR 3185.4.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	
12-1/4"	8-5/8"	24#	200'	160 cu. ft. circ. to surface
7-7/8"	4-1/2"	10.5#	6075'	1593 cu. ft. circ. to surface

Plan to drill a 12-1/4" hole and set 200' of 8-5/8" OD, 24#, J-55 surface casing; then plan to drill a 7-7/8" hole to total depth with gel-water-mud program to test Dakota 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.

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SEP 26 1988

OIL CON. DIV  
DIST. 2

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

8-10-88

(This space for Federal or State office use)

PERM T NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

NMOCC

\*See Instructions On Reverse Side

APPROVED  
AS AMENDED

SEP 22 1988

for Robert Moore  
AREA MANAGER

## 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 Atlantis			Well No. 2		
Unit Letter B	Section 3	Township 30 North		Range 14 West	County San Juan			
Actual Footage Location of Well: 790 feet from the North line and 1850 feet from the East line								
Ground Level Elev. 5641	Producing Formation Dakota		Pool Basin Dakota			Dedicated Acreage: 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 \_\_\_\_\_

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.

SECTION 3	
Dugan Prod. NM 10561	
790'	
1850'	
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OIL CON. DIV	
DIST. 3	

## 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 8-10-88

EDGAR L. RISENHOOVER  
NEW MEXICO  
5979  
I certify that the location shown on this plat was taken from field notes of Ed L. Jacobs made by me or under my supervision and that the same is correct to the best of my knowledge and belief.

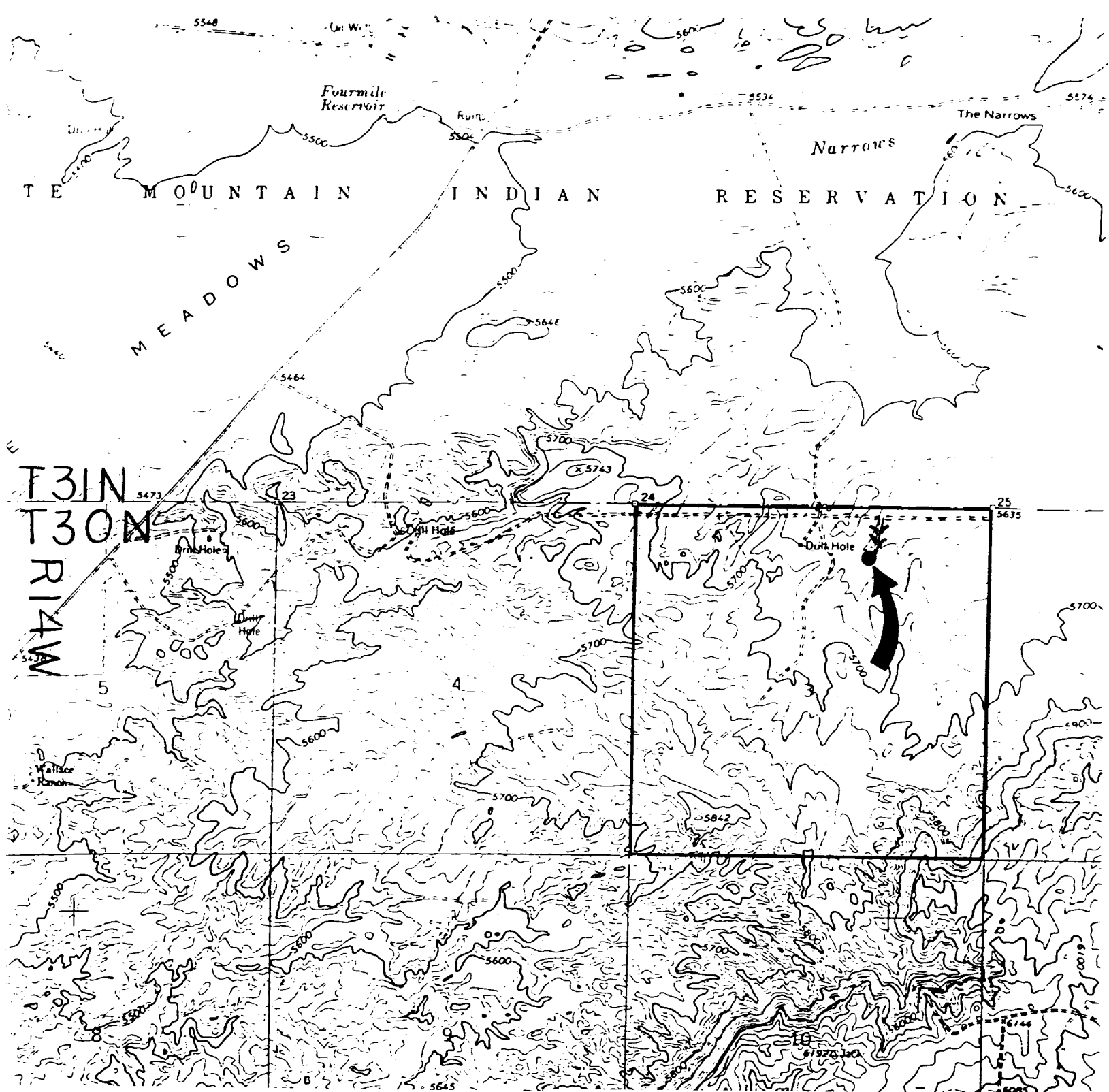
Date Surveyed

June 28, 1988

Registered Professional Engineer  
and/or Land Surveyor

Edgar L. Risenhoover

Certificate No. 5979



DUGAN PRODUCTION CORP. - Atlantis #2

Existing Roads

Exhibit E

Vicinity of nearest town or reference pt.  
approx. 6 miles North of Kirtland, NM

Type of surface dirt

Conditions good

Other \_\_\_\_\_

Reference map: USGS map Young's Lake  
N3645-W10815/7.5, 1963, photorevised 1979

DUGAN PRODUCTION CORP. - Atlantis #2

Planned Access Road(s)

Exhibit E

Width 20' Maximum grades 1%

Drainage design as required

Cuts & Fills see diagram

Surfacing material \_\_\_\_\_

Turnouts

Culverts

Gates

Cattleguards

Fence cuts

Waterbars

Access road(s) cross Private land.