

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address. Dugan Production Corp. P. O. Box 420, Farmington, NM 87499-0420		² OGRID Number 006515
		³ API Number 30 - 045-30995
⁴ Property Code 3619	⁵ Property Name Cline	⁶ Well No. 1R

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	33	30N	14W	1	695	South	815	West	San Juan

⁸ Proposed 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
⁹ Proposed Pool 1 Twin Mounds F5 LPE Harper Hill Fruitland Sand, Pictured Cliffs					¹⁰ Proposed Pool 2				

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code FEE	¹⁵ Ground Level Elevation 5447'
¹⁶ Multiple No	¹⁷ Proposed Depth 1100'	¹⁸ Formation Fruitland Sand. /PC	¹⁹ Contractor Wayne Smith Drilling	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
9-7/8"	7"	20#	120'	71 cu.ft	surface
6-1/4"	4-1/2"	10.5#	1100'	170 cu ft	surface of

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

A water based gel mud will be used to drill surface and production casing holes. A standard 2,000 psi blow out preventer will be used while drilling production casing hole. The Fruitland Sandstone and Pictured Cliffs interval will be completed from approximately 970'-980'.

The interval will be fracture stimulated.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: **Kurt Fagrelin**

Printed name: Kurt Fagrelin

Title: Geologist

Date: February 6, 2002

Phone: (505) 325-1821

OIL CONSERVATION DIVISION

Approved by: **[Signature]**

Title: **DEPUTY OIL & GAS INSPECTOR, DIST. 03**

Approval Date:

Expiration Date: **FEB - 7 2003**

Conditions of Approval:

HOLD C104 FOR status change to Cline #1

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 00, 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

*API Number 30-045-30995		*Pool Code 86620-78100	*Pool Name Twin Mounds HABER HILL FRUITLAND SAND PICTURED CLIFFS
*Property Code 3619	*Property Name CLINE		*Well Number 17
*GRID No. 006515	*Operator Name DUGAN PRODUCTION CORPORATION		*Elevation 5447'

¹⁰ Surface Location


UL or lot no.	Section	Township	Range	Lot 10	Feet from the	North/South line	Feet from the	East/West line	County
P	33	30N	14W		695	SOUTH	815	EAST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 10	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 171.93 Acres - (SE/4)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

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

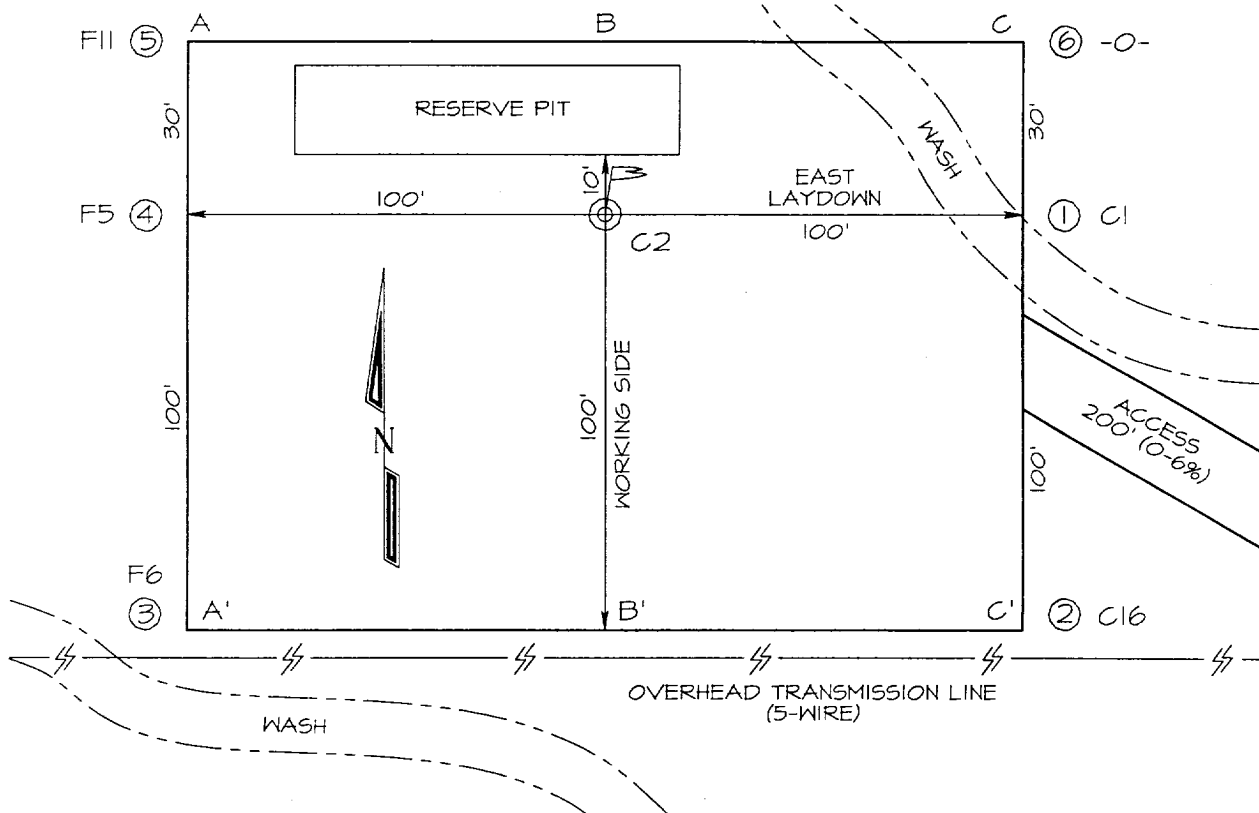
¹⁶ 5269.44' 2640.00' 1320.00' 1434.18' LOT 4 LOT 3 LOT 2 5280.00' LOT 1 695' 815' 1544.40'		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief <i>Kurt Fagrelus</i> Signature Kurt Fagrelus Printed Name Geologist Title February 6, 2002 Date 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. Survey Date: JANUARY 31, 2002 Signature and Seal of Professional Surveyor  JASON C. EDWARDS Certificate Number 15269
---	--	--

DUGAN PRODUCTION CORPORATION CLINE #1R
695' FSL, 815' FEL, SECTION 33, T30N, R14W, NMPM
SAN JUAN COUNTY, NEW MEXICO GROUND ELEVATION: 5447'

LATITUDE: 36°45'53"
LONGITUDE: 108°18'28"
 DATUM: NAD1927

PLAT NOTE:

SURFACE OWNER
 Fee Land



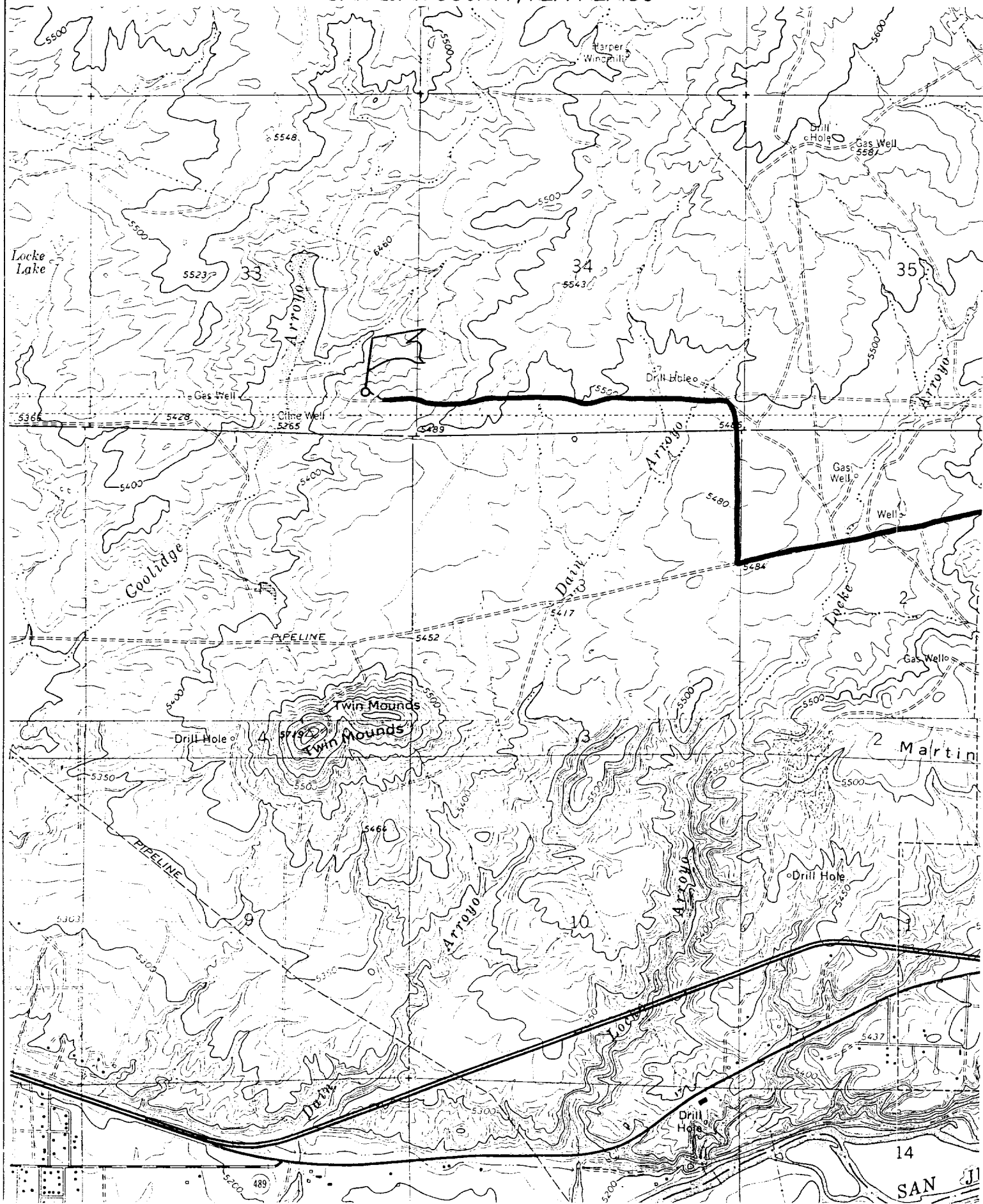
A-A'						
5455'						
5445'						
5435'						

B-B'						
5455'						
5445'						
5435'						

C-C'						
5455'						
5445'						
5435'						

DUGAN PRODUCTION CORPORATION CLINE #1R

695' FSL & 815' FEL, SECTION 33, T30N, R14W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO



Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Conoco

Form C-103
Revised 1-1-89

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

OIL CONSERVATION DIVISION

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

WELL API NO. 30-045-30995
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Cline
8. Well No. #1R
9. Pool name or Wildcat Twin Mounds Fruitland Sand PC

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER
2. Name of Operator Dugan Production Corp.
3. Address of Operator P.O. Box 420, Farmington, New Mexico 87499-0420
4. Well Location Unit Letter P : 695' Feet From The South Line and 815' Feet From The East Line Section 33 Township 30N Range 14W NMPM San Juan County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 5447'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: Amend Original APD <input checked="" type="checkbox"/>

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Cover Sheet of original APD and subsequent C-103's gave location of well as follows:

695' FSL & 815' FWL, Sec. 33, T30N, R14W

Correct location of well is:

695' FSL & 815' FEL, Sec. 33, T30N, R14W

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

SIGNATURE Kurt Fagrelus TITLE Geologist DATE 3/15/02
TYPE OR PRINT NAME Kurt Fagrelus TELEPHONE NO.

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

MAR 18 2002