

Form 3160-5
(June 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil
Well☒ Gas
Well☐ Other

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821

Location of Well (Footage, Sec., T., R., M., or Survey Description)

790' FSL & 1190' FEL (SE/4 SE/4)
Unit P, Sec. 27, T22N, R8W, NMPM

5. Lease Designation and Serial No.

NM 57445

6. If Indian, Allotted or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Zappa #3

9. API Well No.

30 045 29908

10. Field and Pool, or Exploratory Area

Bisti Chacra Ext.

11. County or Parish, State

San Juan, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
- ☒ Subsequent Report
- ☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
- ☐ Recompletion
- ☐ Plugging Back
- ☐ Casing Repair
- ☐ Altering Casing
- ☒ Other Completion
- ☐ Change of Plans
- ☐ New Construction
- ☐ Non-Routine Fracturing
- ☐ Water Shut-Off
- ☐ Conversion to Injection
- ☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Run GR-CCL-CNL from PBTD (1362') to surface. Perforate Chacra 1130', 37', 44', 53', 63', 72', 80', 95', 1207', 13', 20', 22', 30', 37', 42', 52' (total 16 holes). Acidize with 750 gals 15% HCL.

14. I hereby certify that the foregoing is true and correct

Signed

John Alexander
John Alexander

Title

Vice-President

Date

12/13/99

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

ACCEPTED FOR RECORD

JAN 05 2000

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

MOCD

FARMINGTON FIELD OFFICE
BY: [Signature]

Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1. a. TYPE OF WELL:

OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐

b. TYPE OF COMPLETION:

NEW Well ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. CENTR. ☐ OTHER ☐

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325-1821

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

At surface 790' FSL & 1190' FEL (SE/4 SE/4)

At top prod. interval reported below

same

At total depth

same

14. PERMIT NO.

DATE ISSUED

12. COUNTY OR PARISH

13. STATE

San Juan

NM

15. DATE SPUDED

7/6/99

16. DATE T.D. REACHED

7/8/99

17. DATE COMPL.

(Ready to prod.)

12/2/99

18. ELEVATIONS (CF, RKB, RT, GR, ETC.)*

6738'

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

1405'

21. PLUG BACK T.D., MD & TVD

1362'

22. IF MULTIPLE COMPL.,
HOW MANY*23. INTERVALS
DRILLED BY

ROTARY TOOLS

CABLE TOOLS

TD

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)*

1130' - 1252' (Chacra)

25. WAS DIRECTIONAL SURVEY MADE

no

26. TYPE ELECTRIC AND OTHER LOGS RUN

GR-CCL-CNL

27. WAS WELL CORED

no

28. CASING RECORD (Report all strings set in well)

| CASING SIZE/GRADE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | TOP OF CEMENT, CEMENTING RECORD | AMOUNT PULLED |
|-------------------|-----------------|----------------|-----------|---|---------------|
| 7" | 20# | 120' | 9-1/8" | 59 cu ft class "B" containing 1/4# celloflake/sx | |
| 4-1/2" | 10.01# | 1398' | 6-1/4" | 102 cu ft 2% Lodense containing 1/4# celloflake/sx. | |
| | | | | Tail w/118 cu ft class "B" containing 1/4# celloflake/sx. | |
| | | | | Total 220 cu ft. | |

29. LINER RECORD

| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SCREEN (MD) | SIZE | DEPTH SET (MD) | PACKER SBT (MD) |
|------|----------|-------------|---------------|-------------|--------|----------------|-----------------|
| | | | | | 2-3/8" | 1198' | NA |

31. PERFORATION RECORD (Interval, size and number)

1130', 37', 44', 53', 63', 72', 80', 95', 1207', 13', 20',
1222', 30', 37', 42', 52' w/1 spf (16 holes)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

| DEPTH INTERVAL (MD) | AMOUNT AND KIND OF MATERIAL USED |
|---------------------|----------------------------------|
| 1130' - 1252' | 750 gals 15% HCL |
| | |
| | |
| | |

33. PRODUCTION

| DATE FIRST PRODUCTION | | PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) | | | | | WELL STATUS (Producing or shut in) | |
|-----------------------|-----------------|--|----------------------|------------|--------------|-------------------|------------------------------------|--|
| 12/2/99 | | capable of production | | | | | shut-in | |
| DATE OF TEST | HOURS TESTED | CHOKE SIZE | PROD FOR TEST PERIOD | OIL - MCF. | GAS - MCF. | WATER - BBL. | GAS - OIL RATIO | |
| 12/7/99 | 24 hours | | → | | | | | |
| FLOW. TUBING PRESS. | CASING PRESSURE | CALCULATED 24 - HOUR RATE | OIL - BBL. | GAS - MCF. | WATER - BBL. | OIL GRAVITY (API) | WATER GRAVITY (API) | |
| 242 psi - SI | 242 psi - SI | → | | | | | | |

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

vented - to be sold

TEST WITNESSED BY

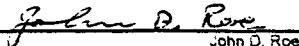
C. Hall

35. LIST OF ATTACHMENTS

FARMINGTON FIELD OFFICE
BY 

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED


John D. Roe

Title Engineering Manager

Date 12/7/99

*(See Instructions and Spaces for Additional Data on Reverse Side)

(test, including depth interval tested on used, time tool open, flowing and shut-in pressures, and recoveries).

| FORMATION | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. | NAME | TOP | |
|-----------|-----|--------|-----------------------------|-----------------|-------------|------------------|
| | | | | | MEAS. DEPTH | TRUE VERT. DEPTH |
| | | | | Ojo Alamo | 78' | |
| | | | | Kirtland | 209' | |
| | | | | Fruitland | 568' | |
| | | | | Pictured Cliffs | 777' | |
| | | | | Lewis | 940' | |
| | | | | Chacra | 1124' | |

UNITED STATES
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Budget Bureau No. 1004-0135
Expires: March 31, 1993

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☐ Oil
☐ Well☒ Gas
☐ Well☐ Other

2. Name of Operator

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3. Address and Telephone No.

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Location of Well (Footage, Sec., T., R., M., or Survey Description)

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5. Lease Designation and Serial No.

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6. If Indian, Allotted or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Zappa #3

9. API Well No.

30 045 29908

10. Field and Pool, or Exploratory Area

Bisti Chacra Ext.

11. County or Parish, State

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- ☐ Casing Repair
- ☐ Altering Casing
- ☒ Other Surface casing

- ☐ Change of Plans
- ☐ New Construction
- ☐ Non-Routine Fracturing
- ☐ Water Shut-Off
- ☐ Conversion to Injection
- ☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Spud @ 1130 hrs 7/6/99. Run 7" 20# K-55 casing. Land @ 120'. Cement with 59 cu. ft. class "B" containing 1/4# celloflake/sx. Circulate 2 bbls cement to surface. Pressure test casing to 600 psi with no leaks.

RECEIVED
BLM
99 JUL -9 PM 12:02
070 FARMINGTON, NM

14. I hereby certify that the foregoing is true and correct

Signed


John Alexander

Title

Vice-President

Date

7/8/99

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

ACCEPTED FOR RECORD

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

JUL 14 1999
FARMINGTON FIELD OFFICE
BY E-1/B

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

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- ☐ Altering Casing
- ☒ Other Cement long string
- ☐ Change of Plans
- ☐ New Construction
- ☐ Non-Routine Fracturing
- ☐ Water Shut-Off
- ☐ Conversion to Injection
- ☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Drill to 1405' TD on 7/8/99. Run 4-1/2" 10.5# casing @ 1398'. Cement with 102 cu. ft. 2% Lodense containing 1/4# celloflake/sx. Tail with 118 cu. ft. class "B" containing 1/4# celloflake/sx. Plug down 1030 hrs. 7/9/99. Circulate 10 bbls cement to surface. Total slurry 220 cu. ft.

RECEIVED
BLM
99 JUL 14 AM 11:21
070 FARMINGTON, NM

14. I hereby certify that the foregoing is true and correct

Signed

John Alexander
John Alexander

Title

Vice-President

Date

7/13/99

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

ACCEPTED FOR RECORD

JUL 14 1999

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*See Instruction on Reverse Side

NM000

FARMINGTON FIELD
BY *[Signature]*

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

9 APR 22 PM 2:50

b. TYPE OF WELL

Oil ☐

Gas ☐

Well ☐

Well ☒

Other

SINGLE ☐

MULTIPLE ☐

ZONE ☒

ZONE ☐

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325-1821

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

At surface 790' FSL & 1190' FEL

At proposed prod. zone

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

Approx. 9.5 miles southeast of 44 Store, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drig. unit line, if any)

1190'

16. NO. OF ACRES IN LEASE

2280

17. NO. OF ACRES ASSIGNED

TO THIS WELL

160

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

Approx. 13770'

from DPC

Zappa #2

19. PROPOSED DEPTH

1370'

20. ROTARY OR CABLE TOOLS

Rotary

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

6738' GL

22. APPROX. DATE WORK WILL START*

ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | GRADES, SIZES OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|-------------------------|-----------------|---------------|-------------------------------------|
| 9-7/8" | 7" | 20# | 120' | 50 cu.ft. (59 sx) circ. to surface |
| 6-1/4" | 4-1/2" | 10.5# | 1370' | 214 cu.ft. (155 sx) circ to surface |

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS"

Plan to drill a 9-7/8" hole and set 120' of 7" OD, 20#, J-55 surface casing; then plan to drill a 6-1/4" hole to total depth with gel-water-mud program to test Chacra 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.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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

Sherman E. Dugan

Vice-President

Date 4/21/99

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

JUN 02 1999

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

Approved by /s/ Duane W. Spencer

Title

Team Lead, Petroleum Management

Date

*See Instructions on Reverse Side

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NMOCD

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, 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 29908 | | Pool Code 96166 | Pool Name Bisti Chacra Ext. |
| Property Code 13361 | Property Name Zappa | | Well Number 3 |
| OGRID No. 006515 | Operator Name Dugan Production Corporation | | Elevation 6738' |

10 Surface Location

| UL or lot no. | Section | Township | Range | Lot Ida | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| P | 27 | 22N | 8W | P | 790 | South | 1190 | East | San Juan |

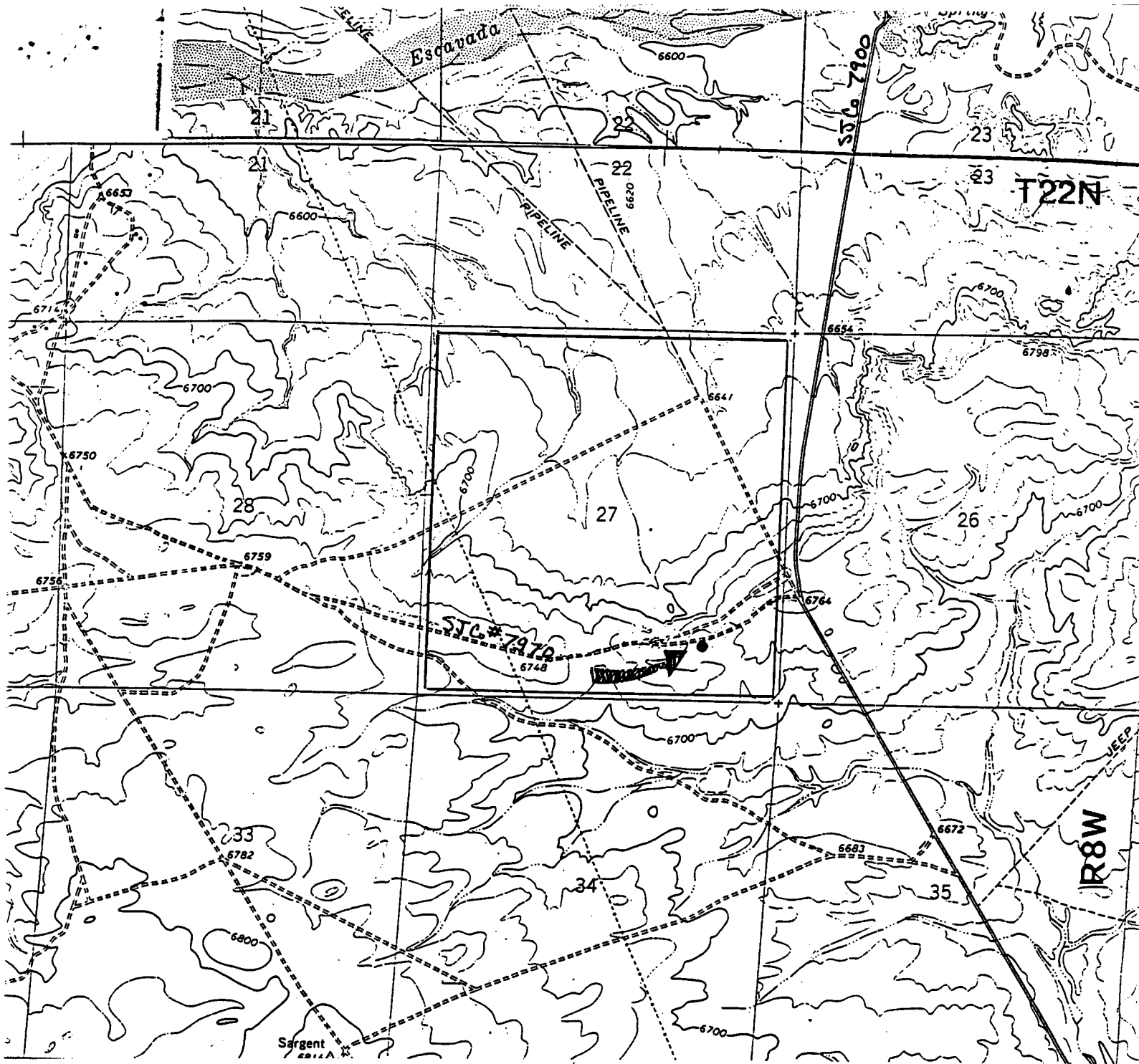
11 Bottom Hole Location If Different From Surface

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

| | | | |
|---------------------------|--------------------|-----------------------|--------------|
| 12 Dedicated Acres 160 | 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 | | | | 17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Sherman E. Dugan Printed Name Vice-President Title 4/19/99 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. April 6, 1999 Date of Survey Signature and Seal of Professional Surveyor: EDGAR L. RISENHOVER NEW MEXICO 5979 Certificate Number 5979 |
| | | | | |
| | | | Dugan Prod. NM 57445 1190' 790' | |



Existing Roads

Exhibit E

Planned Access Road(s)

Exhibit E

vicinity of nearest town or reference pt.
Approx. 9.5 miles south of 44 Store, NM

type of surface dirt

conditions good

other

reference map: USGS map Fire Rock Well, NM 1966,
Lybrook SE, NM; Lybrook, NM & Lybrook NW, NM

DUGAN PRODUCTION CORP. - ZAPPA #3

Width 20' Maximum grades 1%

Drainage design as required

Cuts & Fills as required

Surfacing material none

☒ Turnouts

☒ Culverts

☒ Gates

☒ Cattleguards

☒ Fence cuts

☒ Waterbars

☒ Access Road &
Pipeline

Access road(s) do/do not cross Fed/Ind land.
No new access required

