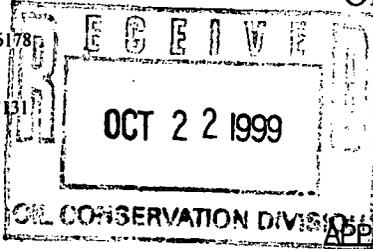


District I - (505) 393-6161  
1625 N. French Dr  
Hobbs, NM 88241-1980  
District II - (505) 748-1283  
811 S. First  
Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
District IV - (505) 827-7131

New Mexico  
Energy Minerals and Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

SUBMIT ORIGINAL  
PLUS 2 COPIES  
TO THE SANTA FE  
OFFICE



APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address Dugan Production Corp. P. O. Box 420, Farmington, NM 87499-0420							OGRID Number 006515		
Contact Party John Alexander							Phone (505) 325-1821		
Property Name Etlington					Well Number 1		API Number 30 045 29907		
UL	Section	Township	Range	Feet From The	North/South Line	Feet From The	East/West Line	County	
N	26	22N	8W	1100	South	1850	West	San Juan	

II. Date/Time Information

Spud Date 7/12/99	Spud Time 1100	Date Completed 10/6/99	Pool Bisti Chacra Ext.
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III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

State of New Mexico )  
County of San Juan ) ss.

John Alexander, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature: John Alexander Title Vice-President Date October 20, 1999

SUBSCRIBED AND SWORN TO before me this 20th day of October, 1999.

Tracey R. Sletch  
Notary Public

My Commission expires: 9/8/01

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>Mark Kelley</u>	Title <u>P.E. Spee</u>	Date <u>DEC - 6 1999</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 12/6/99

NOTICE: The operator must notify all working interest owners of this New Well certification.

PVZV2007132377

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM 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)

1100' FSL & 1850' FWL (SE/4 SW/4)  
Unit N, Sec. 26, T22N, R8W, NMPM

5. Lease Designation and Serial No.

NM 94067

6. If Indian, Allotted or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Ellington #1

9. API Well No.

30 045 29907

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	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Spud - surface casing</u>	<input type="checkbox"/> Dispose Water

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

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 @ 1100 hrs 7/12/99. Set 7" 20# K-55 casing @ 120'. Cement with 59 cu. ft. class "B" containing 1/4# celloflake/sx. Circulate 2 bbls cement to surface. Pressure test casing and BOP to 600 psi - held ok.

RECEIVED  
BLM  
99 JUL 16 PM 1:11  
070 FARMINGTON, NM

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

Signed John Alexander Title Vice-President Date 7/15/99  
John Alexander

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any:

ACCEPTED FOR RECORD

JUL 20 1999

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.

FARMINGTON FIELD OFFICE  
BY \_\_\_\_\_

\*See Instruction on Reverse Side

OPERATOR

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

5. LEASE DESIGNATION AND SERIAL NO.  
**NM 94067**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.  
**Ellington #1**

9. API Well No.  
**30 045 29907**

10. FIELD AND POOL, OR WILDCAT  
**Bisti Chacra Ext.**

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA  
**Unit N  
Section 26, T22N, R8W**

12. COUNTY OR PARISH  
**San Juan**

13. STATE  
**NM**

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 **1100' FSL & 1850' FWL (SE/4 SW/4)**  
At top prod. interval reported below **same**  
At total depth **same**

14. PERMIT NO. \_\_\_\_\_ DATE ISSUED \_\_\_\_\_

15. DATE SPUNDED **7/12/99** 16. DATE T.D. REACHED **7/14/99** 17. DATE COMPL. (Ready to prod.) **10/6/1999** 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\* **6722'** 19. ELEV. CASINGHEAD \_\_\_\_\_

20. TOTAL DEPTH, MD & TVD **1395'** 21. PLUG BACK T.D., MD & TVD **1359'** 22. IF MULTIPLE COMPL., HOW MANY\* \_\_\_\_\_ 23. INTERVALS DRILLED BY \_\_\_\_\_ ROTARY TOOLS **TD** CABLE TOOLS \_\_\_\_\_

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)\*  
**1142' - 1267' (Chacra)**

25. WAS DIRECTIONAL SURVEY MADE **no**

26. TYPE ELECTRIC AND OTHER LOGS RUN **GR/CCL** 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'	9-7/8"	59 cu ft class "B" w/1/4# celloflake/sx	
4-1/2"	10.5#	1388'	6-1/4"	102 cu ft class "B" w/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)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SBT (MD)
2-3/8"	1166'	NA

31. PERFORATION RECORD (Interval, size and number)

**1142', 50', 57', 66', 74', 84', 93', 1208', 19', 27', 38', 59', 67' (total 14 holes)**

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
1142' - 1267'	1,000 gals 15% HCL, 153,420# 20/40 sand in 105,550 gals foam.

33.\* PRODUCTION

DATE FIRST PRODUCTION **10/11/99** PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) **capable of production** WELL STATUS (Producing or shut in) **shut-in**

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL - MCF.	GAS - MCF.	WATER - BBL.	GAS - OIL RATIO

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24 - HOUR RATE	OIL - BBL.	GAS - MCF.	WATER - BBL.	OIL GRAVITY - API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) **to be sold** TEST WITNESSED BY \_\_\_\_\_

35. LIST OF ATTACHMENTS

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

SIGNED John Alexander Title Vice-president Date 10/21/99

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

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof: cored intervals; and all drill-stem, tests, including depth interval tested on used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
				Ojo Alamo	132'	
				Kirtland	230'	
				Fruitland	650'	
				Pictured Cliffs	783'	
				Chacra	1133'	

WORKING INTEREST OWNERS

ELLINGTON #1

API #30 045 29907

Unit N, Section 26, T22N, R8W

San Juan County, New Mexico

Dugan Production Corp. -- 100%