



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
1235 La Plata Highway
Farmington, New Mexico 87401

IN REPLY REFER TO
NM-56209 (PD)
3162.3-1(F) (019)

FEB 23 1988

NMOCD CASE NO. 9327
March 16, 1988
Dugan Production Corp.
Exhibit No. 5

Dugan Production Corporation
P. O. Box 208
Farmington, NM 87499

Gentlemen:

The checklist regarding the present status of the referenced APD is as follows:

Lease No. NM-56209

Well No. 1 Ramses II Com
sec. 22, T. 26 N., R. 2 W.

Lessee - Dugan Production Corporation
Operator - Dugan Production Corporation
Date APD Received - February 12, 1988

The APD is complete as submitted.

Sincerely,

Ron Fellows
for
Ron Fellows
Area Manager

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
 790' FNL & 1850' FWL
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 approx. 4 miles NE of Ojitos, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
 790

16. NO. OF ACRES IN LEASE
 160

17. NO. OF ACRES ASSIGNED TO THIS WELL
 320

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

19. PROPOSED DEPTH
 8125'

20. ROTARY OR CABLE TOOLS
 Rotary

21. ELEVATIONS (Show whether DP, RT, GR, etc.)
 7553' GL

22. APPROX. DATE WORK WILL START*
 ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	9-5/8"	36#	200'	150 cf circ. to surface
7-7/8"	5-1/2"	15.5 & 17#	8125'	2445 cf circ. to surface

Plan to drill a 12-1/4" hole and set 200' of 9-5/8" OD, 36#, J-55 surface casing; then plan to drill a 7-7/8" hole to total depth with gel-water-mud program to test the Mancos formation. Plan to run IES and CDL logs. If deemed productive, will run 5-1/2", 15.5 & 17#, J-55 production casing, selectively perforate, frac, clean out after frac and complete well.

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 I. Jacobs TITLE Geologist DATE 2-11-88

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78

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

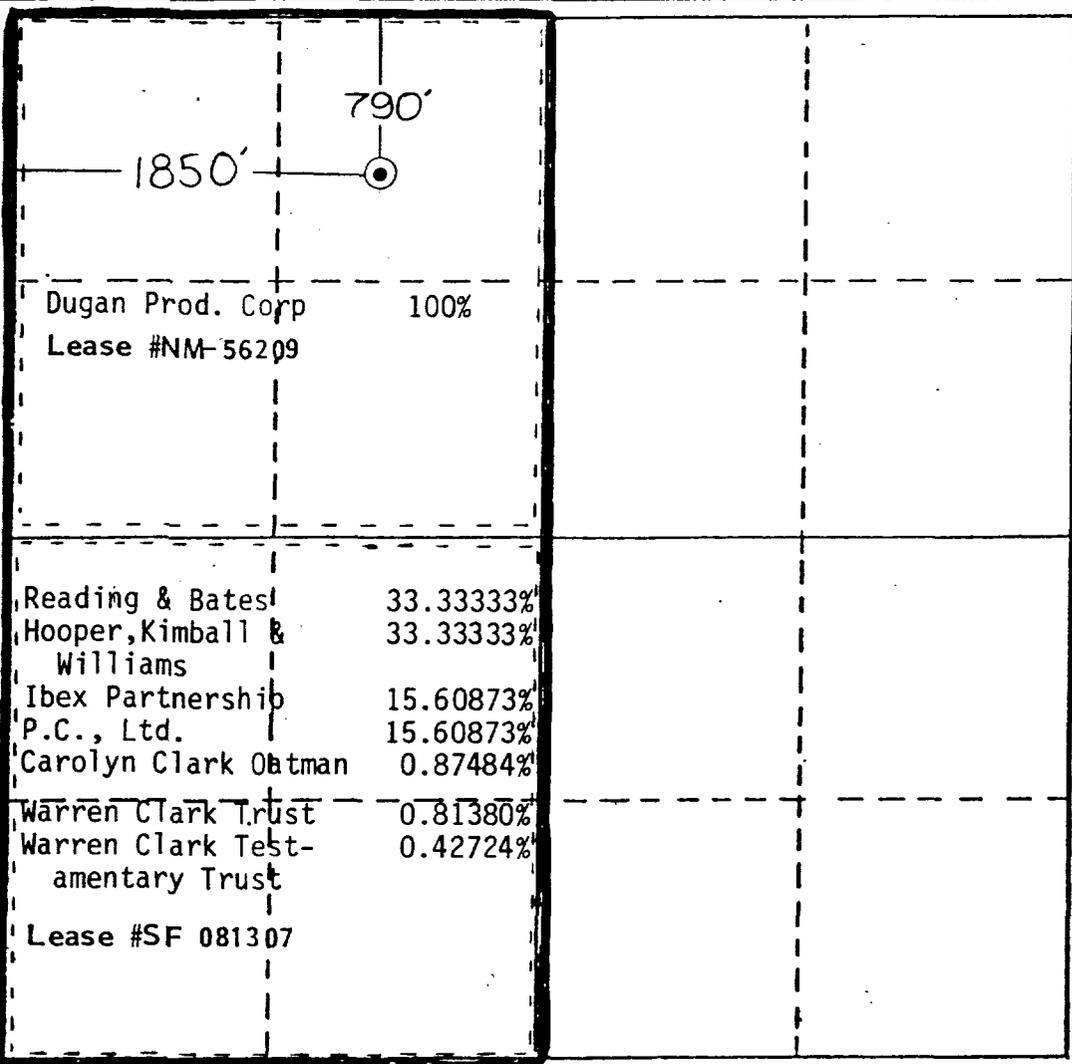
Operator Dugan Production Corp.		Lease Ramses II Com			Well No. 1
Unit Letter C	Section 22	Township 26 North	Range 2 West	County Rio Arriba	
Actual Footage Location of Well: 790 feet from the North line and 1850 feet from the West line					
Ground Level Elev. 7553'	Producing Formation Mancos		Pool Gavilan Mancos	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 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.



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
2-11-88

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 knowledge and belief.

Date Surveyed
2-11-88

Registered Professional Engineer and/or Land Surveyor
Thomas A. Dugan

Certificate No.

OPERATIONS PLAN
 RAMSES II COM #1 WELL
 NM-56209
 T-26-N, R-2-W, NMPM
 Section 22: 790 ft. FNL & 1850 ft. FWL
 Rio Arriba County, New Mexico

APPROXIMATE FORMATION TOPS:

Ojo Alamo	3610'	Point Lookout	6180'
Kirtland	3730'	Mancos	6350'
Fruitland	3745'	Niobrara A	7305'
Pictured Cliff	3795'	Niobrara B	7375'
Lewis/Chacra	3945'	Niobrara C	7495'
Cliff House	5700'	Sanostee	7790'
Menefee	5780'	Greenhorn	8120'
		Total Depth	8125'

LOGGING PROGRAM: IES, CDL

Catch Samples every 10' from 7000 feet to total depth.

CASING PROGRAM:

Hole Size	Casing Size	Wt./Ft.	Setting Depth	Grade & Condition
12-1/4"	9-5/8"	36#	200'	J-55 A
7-7/8"	5-1/2"	15.5# & 17#	8125'	J-55 A

Plan to drill a 12-1/4" hole and set 200' of 9-5/8" OD, 36#, J-55 surface casing; then plan to drill a 7-7/8" hole to total depth with gel-water-mud program to test Mancos formation. Plan to run IES and CDL logs. If determined productive, will run 5-1/2", 15.5# and 17#, J-55 production casing, selectively perforate, frac, and complete well.

CEMENTING PROGRAM: All volumes are contingent upon Caliper logs.

Expected location of upper stage tool: 6400'

Expected location of lower stage tool: 3995'

Surface Casing - 128 sx (150 cu.ft.) of Class "B" with 2% CaCl. Circulate to surface.

Production Casing

1st Stage - Cement with 265 sx 50/50 B-Poz w/2% gel & 6-1/4# Gilsonite/sk & 1/4# flocele/sk (370 cu.ft.). Projected cement top for 1st Stage: 6600'.

2nd Stage - Cement with 270 sx 65/35 B-Poz w/12% gel & 6-1/4# Gilsonite/sk + 1/4# flocele/sk (630 cu.ft.) followed by 232 sx 50/50 B-poz w/2% gel + 1/4# flocele + 1/4# Gilson/sk (325 cu.ft.). Total cement slurry: 755 cu.ft. Projected cement top for 2nd Stage: 4195'.

3rd Stage - Cement with 491 sx 65/35 B-Poz w/12% gel & 1/4# flocele + 6-1/4# Gilsonite/sk (1085 cu.ft.), followed by 50 sx 50/50 B-Poz w/2% gel & 1/4# flocele + 6-1/4# Gilsonite/sk (64 cu.ft.). Circulate to surface. Total cement slurry for 3rd Stage: 1149 cu.ft.

Total cement slurry for all 3 stages = 2474 cu.ft.

WELLHEAD EQUIPMENT: 10" x 2000 psi 600 series; 6" x 2000 psi (X-mas tree)

DUGAN PRODUCTION CORP.

Office	325-1821	Jim Jacobs	325-8353
Tom Dugan	325-5694	John Roe	326-1034
Sherman Dugan, Geo.	327-4287	Kurt Fagrelus	325-4327