

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

Form C-101  
June 16, 2008

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

<sup>1</sup> Operator Name and Address Dugan Production Corp. 709 East Murray Drive, Farmington, New Mexico 87401		<sup>2</sup> OGRID Number 006515 <b>30-045-35243</b>
<sup>3</sup> Property Code <b>384167</b>	<sup>4</sup> Property Name Susana Com	
<sup>5</sup> Proposed Pool 1 Basin Fruitland Coal (71629)		<sup>6</sup> Proposed Pool 2 1

**<sup>7</sup> Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	2	21N	8W	4	790	North	1200	West	San Juan

**<sup>8</sup> 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

**Additional Well Information**

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 6700' -GL
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 850-Feet	<sup>18</sup> Formation Fruitland Coal	<sup>19</sup> Contractor Wayne Smith	<sup>20</sup> Spud Date ASAP

**<sup>21</sup> Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24#	120-Feet	70-cf	Surface
7"	5-1/2"	14#	850-Feet	135-cf	Surface

<sup>22</sup> 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 hole.  
Standard 2,000 psi BOP will be used to drill production hole. The Fruitland Coal  
will be completed from approximately 670 - 695 feet. The  
interval will be fracture stimulated.

RCVD JAN 26 '11

OIL CONS. DIV.

DIST 3

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

Signature:

*Kurt Fagrelus*

Printed name: Kurt Fagrelus

Title: VP-Exploration

E-mail Address: kfagrelus@duganproduction.com

Date: 1/17/2011

Phone: 505-325-1821

OIL CONSERVATION DIVISION

Approved by:

*Charles Herrin* 2-3-11

Title: SUPERVISOR DISTRICT # 3

Approval Date: FEB 03 2011

Expiration Date: FEB 03 2012

Conditions of Approval Attached ☐

FEB 08 2011

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State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised October 12, 2005

Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-045-35243</b>	<sup>2</sup> Pool Code <b>71629</b>	<sup>3</sup> Pool Name <b>BASIN FRUITLAND COAL</b>
<sup>4</sup> Property Code <b>38467</b>	<sup>5</sup> Property Name <b>SUSANA COM</b>	<sup>6</sup> Well Number <b>#1</b>
<sup>7</sup> GRID No. <b>006515</b>	<sup>8</sup> Operator Name <b>DUGAN PRODUCTION CORPORATION</b>	<sup>9</sup> Elevation <b>6700'</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	2	21-N	8-W		790'	NORTH	1200'	WEST	SAN JUAN

<sup>11</sup> 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
<sup>12</sup> Dedicated Acres <b>321.44</b> <b>320 ACRES - (N/2)</b>					<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.		

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

<sup>16</sup> FD 2 1/2 BRASS CAP GLO 1947 <b>LOT 4</b>	<b>LOT 3</b> DUGAN PRODUCTION CORPORATION SUSANA COM #1 LAT. 36.08641°N LONG. 107.65770°W DATUM: NAD 1983 Dugan V-7770	<b>LOT 2</b> Dugan V-7769	<b>LOT 1</b>
<b>2</b>			

<sup>17</sup> OPERATOR CERTIFICATION

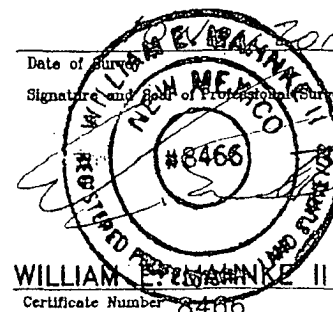
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Kurt Fagrelis* 1/10/2011  
Signature Date  
Kurt Fagrelis  
Printed Name

<sup>18</sup> SURVEYOR CERTIFICATION

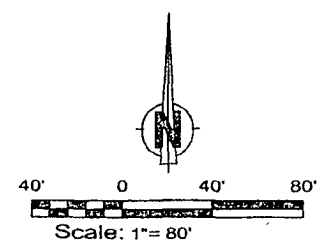
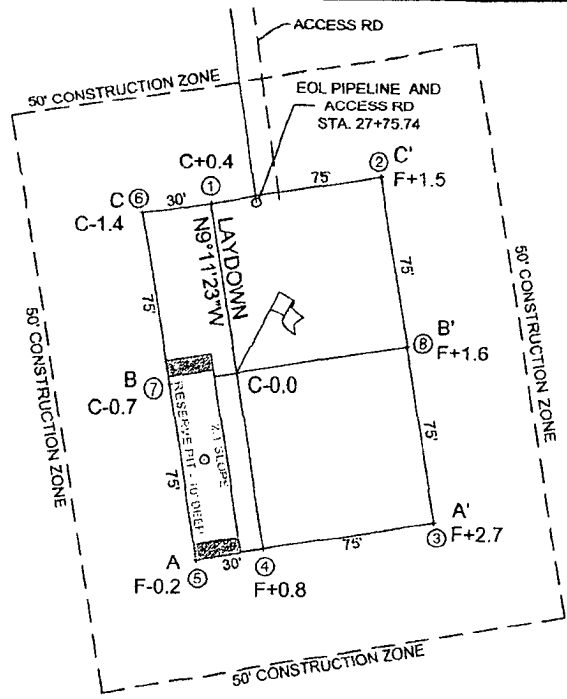
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey  
Signature and Seal of Professional Surveyor:

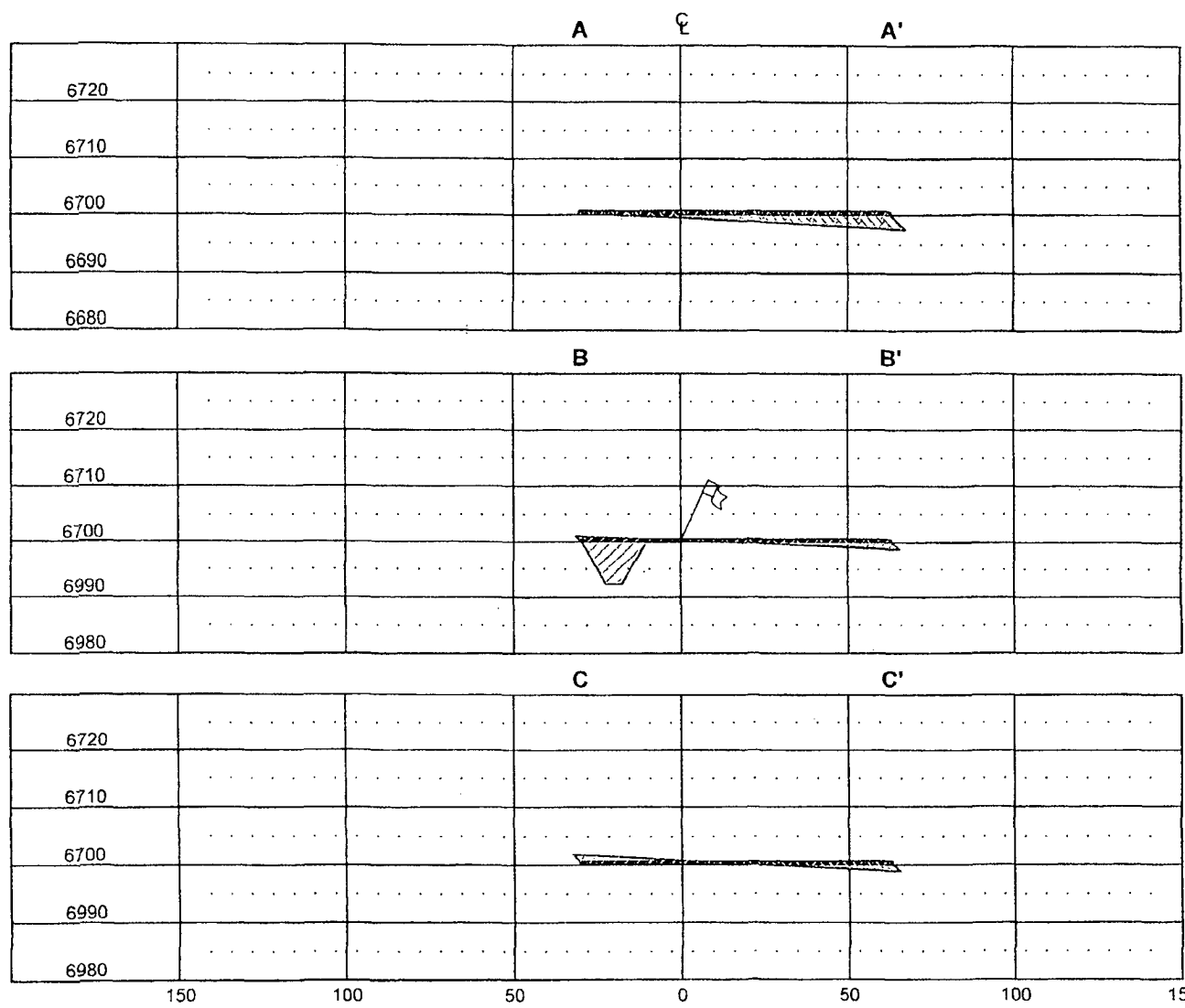


# DUGAN PRODUCTION CORPORATION

SUSANA COM #1  
 790' FNL, 1200' FWL  
 LOCATED IN THE NW/4 NW/4 OF SECTION 2,  
 T21N, R8W, N.M.P.M.,  
 SAN JUAN COUNTY, NEW MEXICO  
 ELEVATION: 6700', NAVD 88



WELL FLAG  
 LATITUDE: 36.08641°N  
 LONGITUDE: 107.65770°W  
 DATUM: NAD 83  
 CENTER RESERVE PIT  
 LATITUDE: 36.08632°N  
 LONGITUDE: 107.65775°W  
 DATUM: NAD 83



HORIZ. SCALE: 1"=50'  
 VERT. SCALE: 1"=30'

**Red Skies Surveying & Mapping, Inc.**  
 A Native American Owned Company  
 101 Fauver Lane, Bloomfield, New Mexico 87413  
 Phone: (505) 632-6823 Cell No: (505) 793-5325