

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 5820, Farmington, NM 87499-5820

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

At surface

2150' FSL & 800' FEL

At proposed prod. zone

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

approx. 9½ miles SW of Blanco Trading Post, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

800'

16. NO. OF ACRES IN LEASE

2118.04

17. NO. OF ACRES ASSIGNED
TO THIS WELL

80

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

1655' from

Champ #6

19. PROPOSED DEPTH

4640'

20. ROTARY OR CABLE TOOLS

Rotary

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

6530' GL ; 6542' KB

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

22. APPROX. DATE WORK WILL START*

ASAP

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT ATTACHED
12-1/4"	8-5/8"	24#	200'	159 cu.ft. circ. to surface
7-7/8"	4-1/2"	10.5#	4640'	1496 cu.ft. circ. to surface

Plan to drill a 12-1/4" hole and set 200' of 8-5/8" OD, 24#, J-55 surface casing; then plan to drill a 7-7/8" hole to total depth with gel-water-mud program to test Gallup formation. Plan to run IES and CDL logs. If determined productive, will run 4½", 10.5#, J-55 casing, selectively perforate, frac, clean out after frac and complete well.

RECEIVED
NOV 07 1988
OIL CON. DIST.

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 L. Jacobs

TITLE

Geologist

DATE

10-19-88

(This space for Federal or State office use)

APPROVED
AS AMENDED

NOV 02 1988

DATE

AREA MANAGER

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

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

Operator Dugan Production Corporation		Lease Champ		Well No. 5
Unit Letter I	Section 5	Township 23 North	Range 10 West	County San Juan
Actual Footage Location of Well:				
2150	feet from the South	line and	800	feet from the East line
Ground Level Elev. 6530	Producing Formation Gallup	Pool South Bisti Gallup EXT	Dedicated Acreage 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

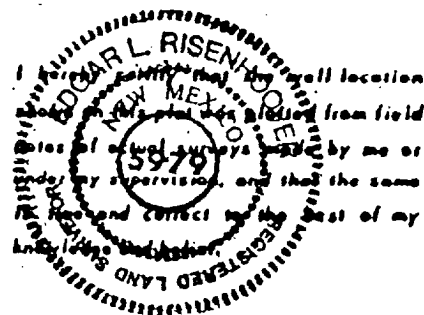
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.

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.

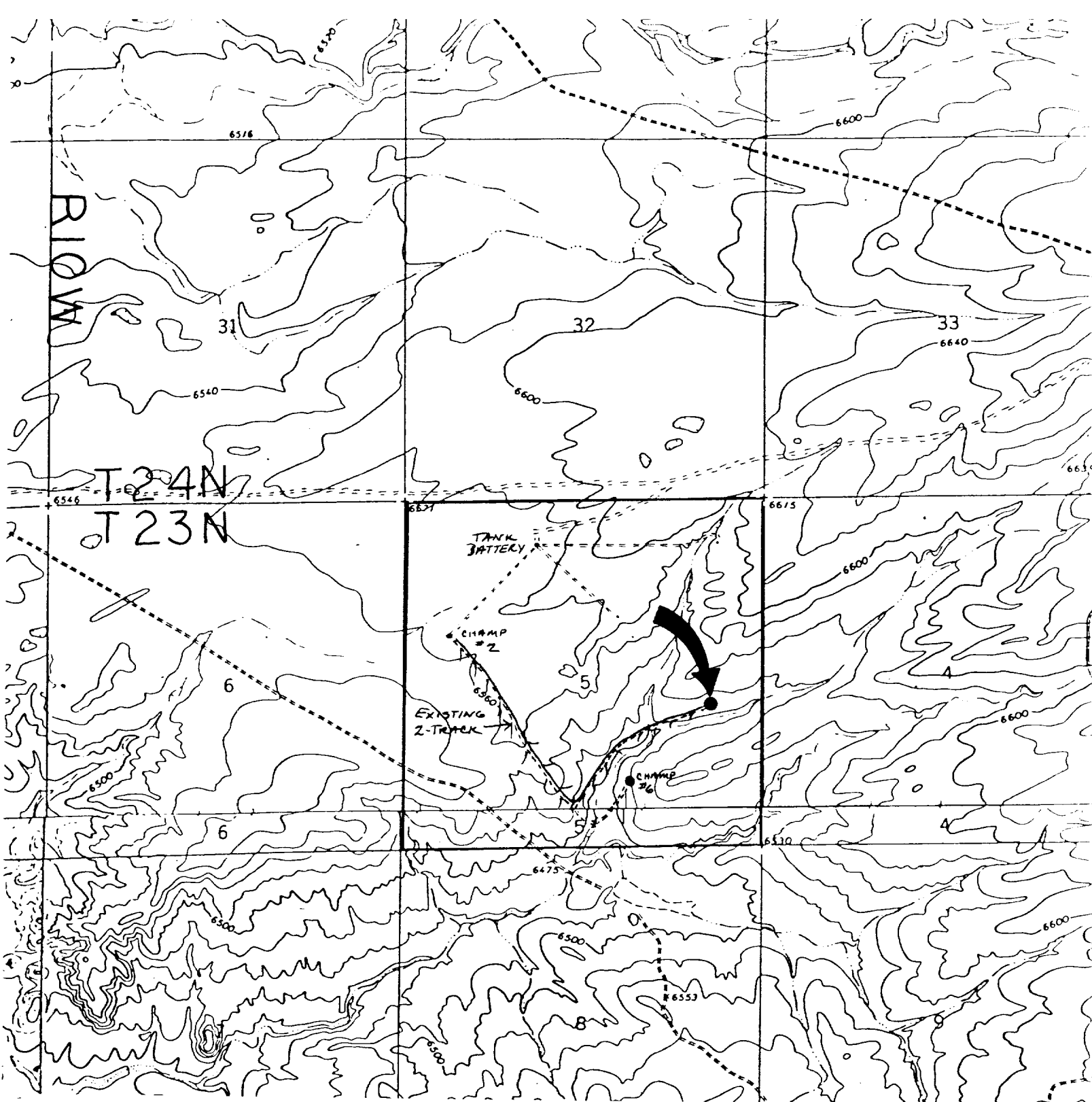
Date
10-19-88



Date Surveyed
October 6, 1988

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover
Certificate No. 5979



DUGAN PRODUCTION CORP. - Champ #5

Existing Roads

Exhibit E

Vicinity of nearest town or reference pt.
approx. 9½ miles SW of Blanco Trading Post

Type of surface dirt

Conditions good

Other _____

Reference map: USGS map: Huerfano Trading Post SW 1966; Pueblo Bonito NW 1966

DUGAN PRODUCTION CORP. - Champ #5

Planned Access Road(s)

Exhibit E

Width 20' Maximum grades 4%

Drainage design as required

Cuts & Fills see Cut & Fill Diagram

Surfacing material none required

Turnouts

Culverts

Gates

Cattleguards

Fence cuts

Waterbars

upgraded 2-trace
& fluids line to
existing system

Access road(s) (do) do not cross Fed/Ind land.