

6 BLM 1 File
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEYSUBMIT
(Other instructions on
reverse side)

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

18. TYPE OF WORK DRILL DEEPEN PLUG BACK B. TYPE OF WELL OIL WELL GAS WELL OTHER

2. NAME OF OPERATOR DUGAN PRODUCTION CORP.

3. ADDRESS OF OPERATOR P.O. Box 420, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface990' FSL & 990' FWL
At proposed prod. zone14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE
approx. 9-3/4 miles SW of Blanco Trading Post, NM15. DISTANCE FROM PROPOSED
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drilg. unit, ft.)18. DISTANCE FROM PROPOSED LOCATION, IF ANY
TO NEAREST WELL, DRILLED, COMPLETED, APPROX. 990'
OR APPLIED FOR, ON THIS LEASE, FT. DPC's approx. 1718'19. PROPOSED DEPTH
TO NEAREST WELL, DRILLED, COMPLETED, APPROX. 4590'16. NO. OF ACRES IN LEASE
540 6.36.7217. NO. OF ACRES ASSIGNED
TO THIS WELL
W/88 78.4920. ROTARY OR CABLE TOOLS
Rotary21. ELEVATIONS (Show whether DF, RT, GR, etc.) This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and approval pursuant to 43 CFR 3165.4
PROPOSED CASING AND CEMENTING PROGRAM22. APPROX. DATE WORK WILL START
ASAP23. SIZE OF HOLE
12-1/4"
7-7/8"SIZE OF CASING
8-5/8"
4-1/2"WEIGHT PER FOOT
24#
10.5#SETTING DEPTH
200'
4590'

24. IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. If proposal is to deepen or plug back, give data on present productive zone and proposed new

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 the Gallup formation. Plan to run IES and CDL logs. If determined productive,
 will run 4-1/2", 10.5#, J-55 casing with stage tool, selectively perforate, frac,
 clean out after frac and complete well.

RECEIVED

NOV 2 0 1991

OIL CON. DIV
DIST. 3

SIGNED
(This space for Federal or State office use)
Sherman F. Dugan

PERMIT NO.

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

APPROVAL DATE

TITLE

*See Instructions On Reverse Side

NMODD

APPROV
AS AMENNOV 15 1991
FBI AREA MAN

DATE 10-25-91

773455
1960
1960

773455
1960

Subject to Appropriate
Record Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Bravo Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

REC'D BY
SHERIFF'S DEPT.

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SHERIFF'S DEPT.

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SHERIFF'S DEPT.

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

| Operator | Lease | | | Well No. |
|------------------------------|---------|----------|---------|----------|
| Dugan Production Corporation | | Calgary | | 8 |
| User Letter | Section | Township | RANGE | COUNTY |
| M | 6 | 23 North | 10 West | San Juan |
| NMPM | | | | |

Actual Footage Location of Well:

| | | | | | | | |
|--------------------|---------------------|--------|----------|-------------|---------------|--------------------|----------------|
| 990 | feet from the | South | line and | 990 | feet from the | West | line |
| Ground level Elev. | Producing Formation | Gallup | Pool | South Bisti | Gallup | Dedicated Acreage: | 80 78.99 Acres |

1. Outline the acreage dedicated to the subject well by colored pencil or black ink 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 interest of all owners been consolidated by communitization, unitization, forced 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.

| | | | |
|---|--|--|--|
| <p>RECEIVED NOV 20 1991 OIL CON. DIV DIST. 3</p> | | | |
| <p>Section</p> | | | |
| <p>NM-32124 990' 990' 990'</p> | | | |
| <p>0 330 660 990 1320 1650 1980 2310 2640 2970 1500 1000 500 0</p> | | | |
| <p>EDGAR L. RISENHOVER Signature & Seal of Professional Surveyor Edgar L. Risenhoover, P.S. Certificate No. 5979 Edgar L. Risenhoover, P.S.</p> | | | |

REVIEW OF BOOKS

Editorial Staff

John C. Scott
John D. Scott