

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTSUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)FORM APPROVED
OMB NO. 1004-0136
Expires: February 28, 1995

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL

WELL ☒

GAS

WELL ☐OTHER ☐

SINGLE

ZONE ☒

MULTIPLE

ZONE ☐

2. NAME OF OPERATOR

DUGAN PRODUCTION CORP. 6515

3. ADDRESS AND TELEPHONE NO.

P.O. Box 420, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface2250' FNL & 830' FWL (SW/4 NW/4)
At proposed prod. zone

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

Approx. 9 miles SW of Blanco Trading Post

18. DISTANCE FROM PROPOSED*

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

830'

16. NO. OF ACRES IN LEASE

320.72

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

N/A

19. PROPOSED DEPTH

4800'

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

6680' (est) GL

This action is subject to a preliminary and
procedural review pursuant to 43 CFR 5185.3
and appeal pursuant to 43 CFR 5185.4.17. NO. OF ACRES ASSIGNED
TO THIS WELL

5/80

20. ROTARY OR CABLE TOOLS

Rotary

22. APPROX. DATE WORK WILL START*

ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	200'	159 cf circ. to surface
7-7/8"	4-1/2"	10.5#	4800'	1528 cf circ. to surface

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

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
MAR 26 1996
OIL CON. DIV.
DIST. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM. If proposal is to deepen, 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.

34.

SIGNED

Sherman E. Dugan

TITLE Vice-President

DATE 3/4/96

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY

TITLE

DATE

*See Instructions On Reverse Side

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.

APPROVED
AS AMENDED

MAR 21 1996

DISTRICT MANAGER

NM000

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rte Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30 045 29360		2 Pool Code 05860		3 Pool Name Bisti Gallup South		
4 Property Code 003626		5 Property Name December Dream			6 Well Number 2	
7 OGRID No. 006515		8 Operator Name Dugan Production Corporation			9 Elevation 6680' Estimated	


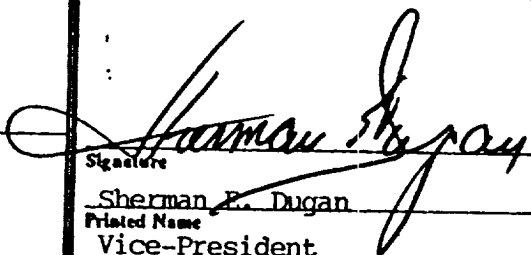

10 Surface Location

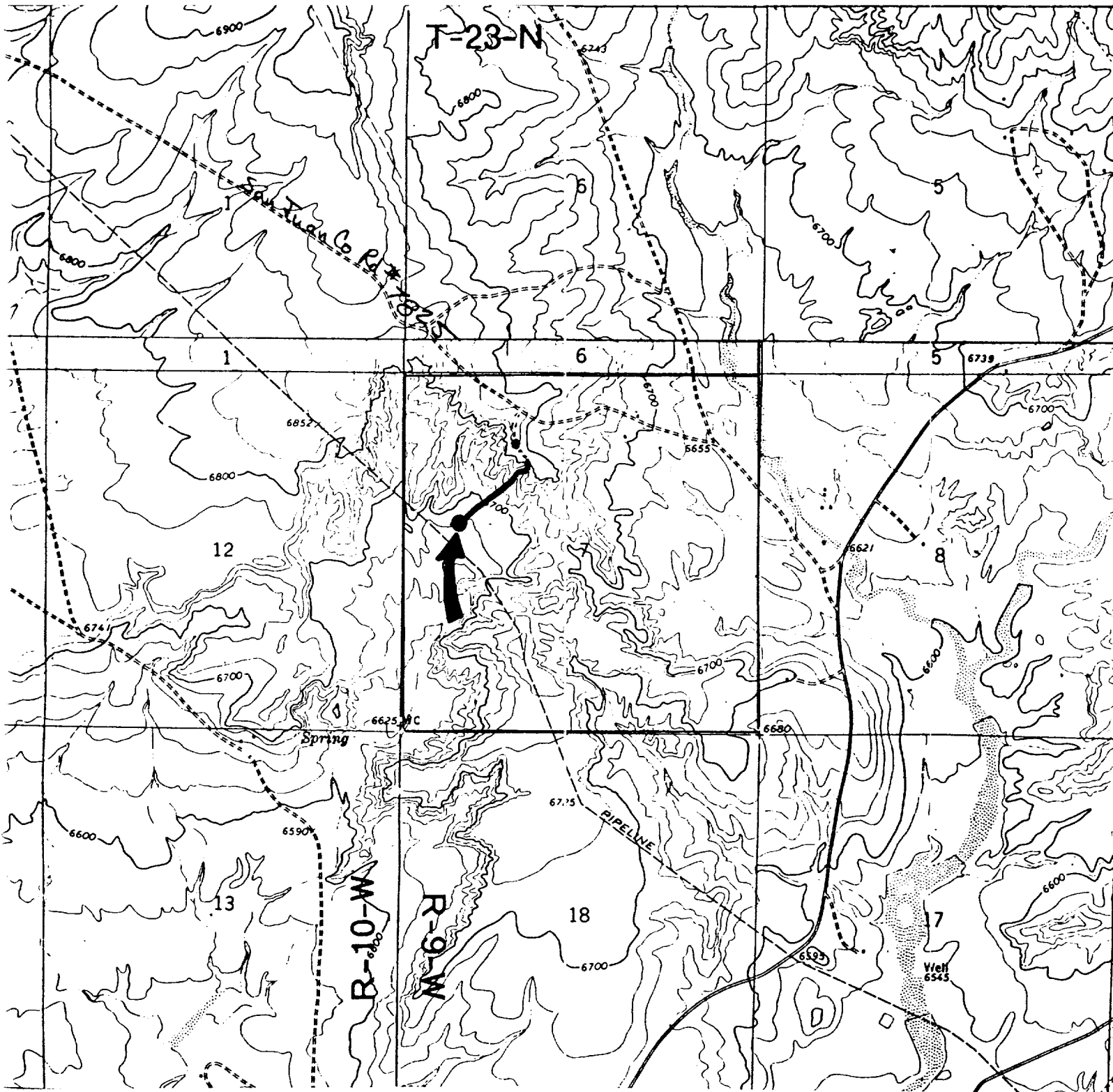
UL or lot no. E	Section 7	Township 23N	Range 9W	Lot Idn	Feet from the 2250	North/South line North	Feet from the 830	East/West line West	County San Juan
--------------------	--------------	-----------------	-------------	---------	-----------------------	---------------------------	----------------------	------------------------	--------------------

11 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
12 Dedicated Acres 80		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLET ON UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16 2250' 830'  Dugan Prod. NM 19816 Section 7		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature Sherman E. Dugan Printed Name Vice-President Title 3/4/96 Date	
RECEIVED MAR 26 1996 OIL CON. DIV. DIST. 3		18 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. August 22, 1995 Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number 5979	



Dugan Production Corp. - December Dream #2
Existing Roads Exhibit E

Vicinity of nearest town or reference pt.

Approx. 9 miles SW of Blanco Trading Post

Type of surface dirt

Conditions good

Other

Reference map: USGS map Blanco Trading Post, NM 1966

Planned Access Road(s)

Exhibit E

Width 20' Maximum grades 8%

Drainage design as required

Cuts & Fills as required

Surfacing material none

☒ Turnouts

☒ Culverts

☒ Gates

☒ Cattleguards

☒ Fence cuts

☒ Waterbars

☒ Access Road &
☒ Pipeline

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