

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-045-22469

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
 Box 234, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
 At surface: 1850' FNL - 1080' FWL
 At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 8 miles northeast of Nageezi, New Mexico

5. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1080'

16. NO. OF ACRES IN LEASE 1480

17. NO. OF ACRES ASSIGNED TO THIS WELL 160

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. Approx 1/2 mile

19. PROPOSED DEPTH 2000'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6870' GR

22. APPROX. DATE WORK WILL START* 6-18-77

5. LEASE DESIGNATION AND SERIAL NO.
 NM 16589

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
 Mountain

9. WELL NO.
 6

10. FIELD AND POOL, OR WILDCAT
 Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec 9, T24N, R8W

12. COUNTY OR PARISH 13. STATE
 San Juan NM

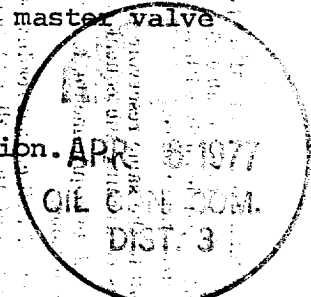
PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7"	20#	60'	30 SX
5"	2-7/8"	6.4#	2000'	100 SX

Plan to drill well using mud as circulating medium to test Pictured Cliffs formation. If productive, plan to set 2-7/8" tubing for casing, selectively perforate, frac, clean out after frac, run 1-1/4" tubing, and complete well.

Do not plan to use a blowout preventer while drilling. Will use master valve and stripper head while completing well.

NMERB Requirement: Gas dedicated to Northwest Pipeline Corporation.



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 Thomas A. Dugan TITLE Petroleum Engineer DATE 3-30-77

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____ DATE APR 4 1977

CONDITIONS OF APPROVAL, IF ANY:

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

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

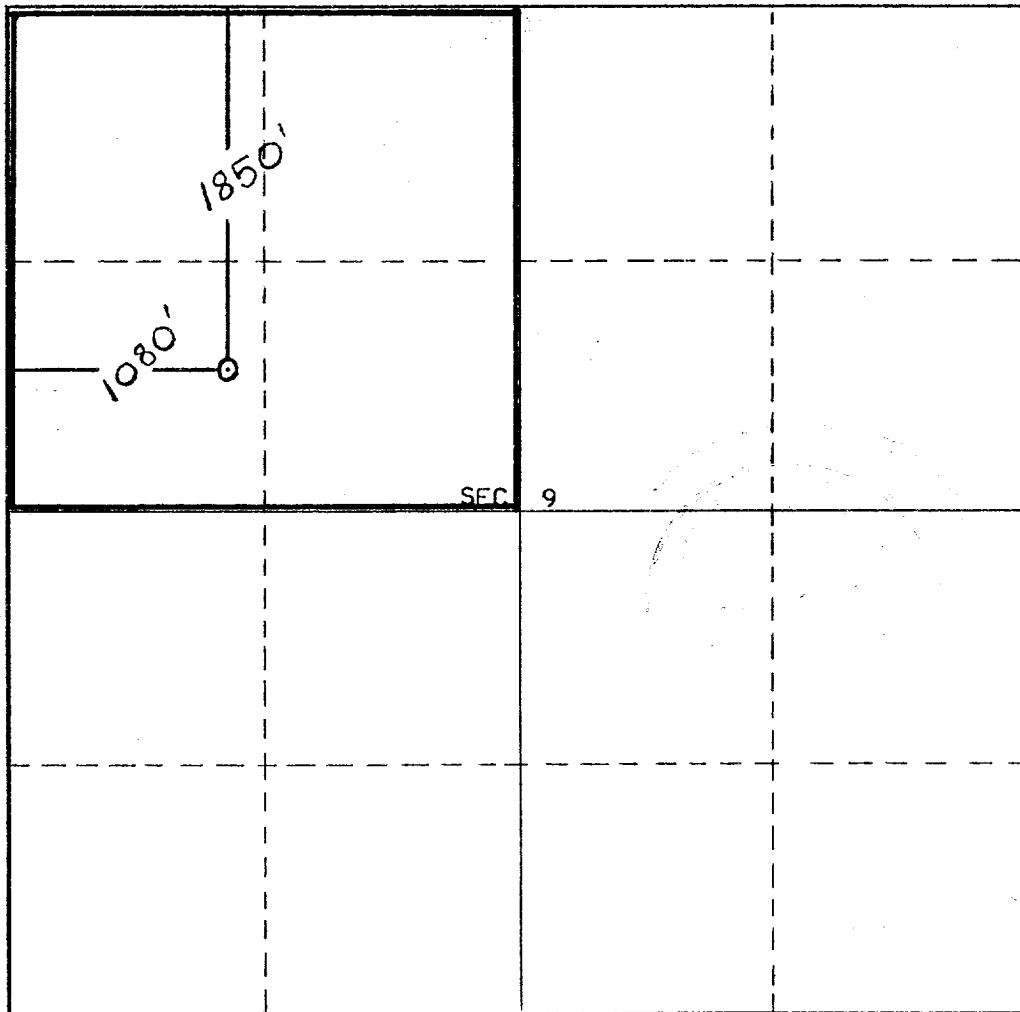
Operator Dugan Production Corporation			Lease Mountain		Well No. 6
Unit Letter E	Section 9	Township 24 North	Range 8 West	County San Juan	
Actual Footage Location of Well: 1850 feet from the North line and 1080 feet from the West line					
Ground Level Elev. 6870'	Producing Formation Pictured Cliffs		Pool Potwin	Dedicated Acreage: 160 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 _____

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 Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Thomas A. Dugan

Name	Thomas A. Dugan
Position	Petroleum Engineer
Company	Dugan Production Corp.
Date	3-30-77

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	March 20, 1977
Registered Professional Engineer and/or Land Surveyor	<i>E. V. Echowawk</i>

Certificate No.	3602
	E. V. Echowawk LS

