

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		1b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		1c. NAME OF OPERATOR DUGAN PRODUCTION CORP.	
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 surface 1980' FNL & 1980' FWL At proposed prod. zone	
5. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		6. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		7. NO. OF ACRES IN LEASE 1280	
8. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		9. PROPOSED DEPTH 4930'		10. ROTARY OR CABLE TOOLS Rotary	
11. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		12. APPROX. DATE WORK WILL START* ASAP		13. COUNTY OR PARISH San Juan	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 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) 1980'		16. NO. OF ACRES IN LEASE 1280	
17. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		18. PROPOSED DEPTH 4930'		19. ROTARY OR CABLE TOOLS Rotary	
20. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		21. APPROX. DATE WORK WILL START* ASAP		22. COUNTY OR PARISH San Juan	
23. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		24. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		25. NO. OF ACRES IN LEASE 1280	
26. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		27. PROPOSED DEPTH 4930'		28. ROTARY OR CABLE TOOLS Rotary	
29. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		30. APPROX. DATE WORK WILL START* ASAP		31. COUNTY OR PARISH San Juan	
32. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		33. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		34. NO. OF ACRES IN LEASE 1280	
35. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		36. PROPOSED DEPTH 4930'		37. ROTARY OR CABLE TOOLS Rotary	
38. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		39. APPROX. DATE WORK WILL START* ASAP		40. COUNTY OR PARISH San Juan	
41. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		42. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		43. NO. OF ACRES IN LEASE 1280	
44. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		45. PROPOSED DEPTH 4930'		46. ROTARY OR CABLE TOOLS Rotary	
47. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		48. APPROX. DATE WORK WILL START* ASAP		49. COUNTY OR PARISH San Juan	
50. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		51. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		52. NO. OF ACRES IN LEASE 1280	
53. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		54. PROPOSED DEPTH 4930'		55. ROTARY OR CABLE TOOLS Rotary	
56. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		57. APPROX. DATE WORK WILL START* ASAP		58. COUNTY OR PARISH San Juan	
59. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		60. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		61. NO. OF ACRES IN LEASE 1280	
62. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		63. PROPOSED DEPTH 4930'		64. ROTARY OR CABLE TOOLS Rotary	
65. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		66. APPROX. DATE WORK WILL START* ASAP		67. COUNTY OR PARISH San Juan	
68. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		69. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		70. NO. OF ACRES IN LEASE 1280	
71. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		72. PROPOSED DEPTH 4930'		73. ROTARY OR CABLE TOOLS Rotary	
74. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		75. APPROX. DATE WORK WILL START* ASAP		76. COUNTY OR PARISH San Juan	
77. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		78. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		79. NO. OF ACRES IN LEASE 1280	
80. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		81. PROPOSED DEPTH 4930'		82. ROTARY OR CABLE TOOLS Rotary	
83. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		84. APPROX. DATE WORK WILL START* ASAP		85. COUNTY OR PARISH San Juan	
86. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		87. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		88. NO. OF ACRES IN LEASE 1280	
89. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		90. PROPOSED DEPTH 4930'		91. ROTARY OR CABLE TOOLS Rotary	
92. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		93. APPROX. DATE WORK WILL START* ASAP		94. COUNTY OR PARISH San Juan	
95. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		96. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		97. NO. OF ACRES IN LEASE 1280	
98. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		99. PROPOSED DEPTH 4930'		100. ROTARY OR CABLE TOOLS Rotary	
101. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		102. APPROX. DATE WORK WILL START* ASAP		103. COUNTY OR PARISH San Juan	
104. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		105. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		106. NO. OF ACRES IN LEASE 1280	
107. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		108. PROPOSED DEPTH 4930'		109. ROTARY OR CABLE TOOLS Rotary	
110. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		111. APPROX. DATE WORK WILL START* ASAP		112. COUNTY OR PARISH San Juan	
113. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		114. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		115. NO. OF ACRES IN LEASE 1280	
116. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		117. PROPOSED DEPTH 4930'		118. ROTARY OR CABLE TOOLS Rotary	
119. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		120. APPROX. DATE WORK WILL START* ASAP		121. COUNTY OR PARISH San Juan	
122. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		123. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		124. NO. OF ACRES IN LEASE 1280	
125. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		126. PROPOSED DEPTH 4930'		127. ROTARY OR CABLE TOOLS Rotary	
128. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		129. APPROX. DATE WORK WILL START* ASAP		130. COUNTY OR PARISH San Juan	
131. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		132. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		133. NO. OF ACRES IN LEASE 1280	
134. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		135. PROPOSED DEPTH 4930'		136. ROTARY OR CABLE TOOLS Rotary	
137. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		138. APPROX. DATE WORK WILL START* ASAP		139. COUNTY OR PARISH San Juan	
140. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		141. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		142. NO. OF ACRES IN LEASE 1280	
143. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		144. PROPOSED DEPTH 4930'		145. ROTARY OR CABLE TOOLS Rotary	
146. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		147. APPROX. DATE WORK WILL START* ASAP		148. COUNTY OR PARISH San Juan	
149. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		150. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		151. NO. OF ACRES IN LEASE 1280	
152. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		153. PROPOSED DEPTH 4930'		154. ROTARY OR CABLE TOOLS Rotary	
155. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		156. APPROX. DATE WORK WILL START* ASAP		157. COUNTY OR PARISH San Juan	
158. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		159. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		160. NO. OF ACRES IN LEASE 1280	
161. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		162. PROPOSED DEPTH 4930'		163. ROTARY OR CABLE TOOLS Rotary	
164. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		165. APPROX. DATE WORK WILL START* ASAP		166. COUNTY OR PARISH San Juan	
167. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		168. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		169. NO. OF ACRES IN LEASE 1280	
170. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		171. PROPOSED DEPTH 4930'		172. ROTARY OR CABLE TOOLS Rotary	
173. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		174. APPROX. DATE WORK WILL START* ASAP		175. COUNTY OR PARISH San Juan	
176. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		177. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		178. NO. OF ACRES IN LEASE 1280	
179. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		180. PROPOSED DEPTH 4930'		181. ROTARY OR CABLE TOOLS Rotary	
182. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		183. APPROX. DATE WORK WILL START* ASAP		184. COUNTY OR PARISH San Juan	
185. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		186. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		187. NO. OF ACRES IN LEASE 1280	
188. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		189. PROPOSED DEPTH 4930'		190. ROTARY OR CABLE TOOLS Rotary	
191. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		192. APPROX. DATE WORK WILL START* ASAP		193. COUNTY OR PARISH San Juan	
194. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6 1/4 miles SW of Blanco Trading Post, NM		195. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1980'		196. NO. OF ACRES IN LEASE 1280	
197. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. N/A		198. PROPOSED DEPTH 4930'		199. ROTARY OR CABLE TOOLS Rotary	
200. ELEVATIONS (Show whether DF, RT, GR, etc.) 6617' GL		201. APPROX. DATE WORK WILL START* ASAP		202. COUNTY OR PARISH San Juan	

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

APR 24 1991

OIL CON. DIV  
DIST. 3

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 K. Jacobs TITLE Vice-President APPROVED 4-91  
(This space for return of state office use)  
PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY: \_\_\_\_\_  
AREA MANAGER

NMOOD

\*See Instructions On Reverse Side

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

RECEIVED  
BLM MAIL ROOM

91 APR -5 PM 3:53

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

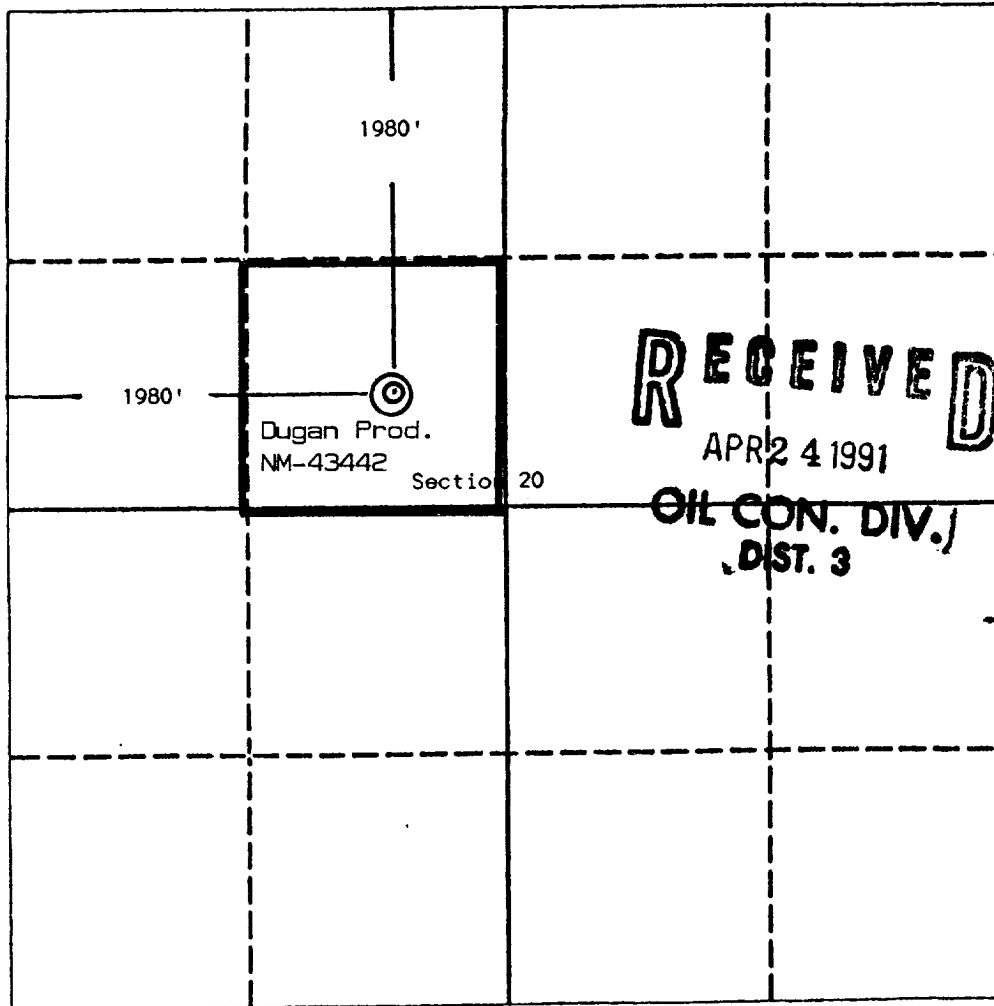
DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT  
All Distances must be from the outer boundaries of the section

Operator Dugan Production Corporation			Lease Target		Well No. 1
Unit Letter F	Section 20	Township 24 North	Range 10 West	County NMPM	San Juan
Actual Footage Location of Well: 1980 feet from the North line and 1980 feet from the West line					
Ground level Elev. 6617	Producing Formation Gallup	Pool <i>Indes</i> Wildcat		Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

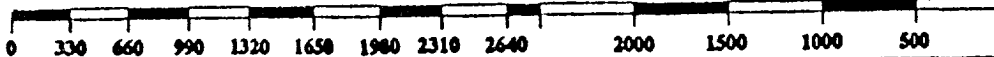
Signature  
*Jim L. Jacobs*  
Printed Name  
Jim L. Jacobs  
Position  
Vice-President  
Company  
Dugan Production Corp.  
Date  
4-4-91

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 knowledge and belief.

Date Surveyed  
February 15, 1991

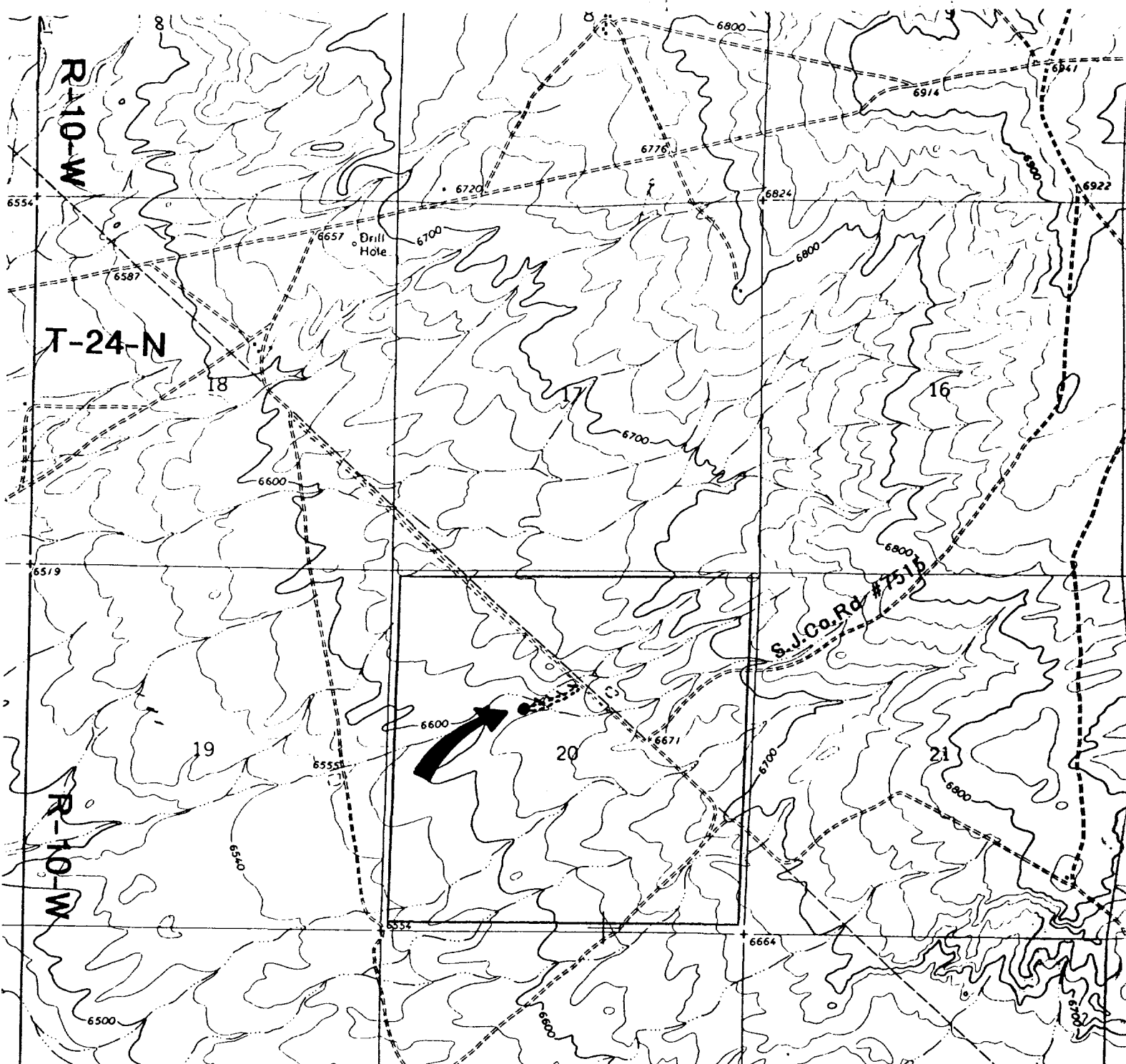
Signature & Seal of  
Professional Surveyor  
*Edgar E. Risenhoover*  
Certified  
Edgar E. Risenhoover  
5979



10 2 3 3 3 2 10

10 2 3 3 3 2 10

OIL CONT. DIV.  
DIST. 2



### Existing Roads

### Exhibit E

### Planned Access Road(s)

### Exhibit E

Vicinity of nearest town or reference pt.  
Approx. 6½ miles SW of Blanco Trading Post

Type of surface dirt

Conditions good

Other \_\_\_\_\_

Reference map: USGS map Huerfano Trading  
Post SW 1966

Width 20' Maximum grades 1%

Drainage design as required

Cuts & Fills see diagram

Surfacing material none

Turnouts

Culverts

Gates

Cattleguards

Fence cuts

Waterbars

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

No off-lease R-O-W required.