

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

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SEP -2 AM 9:00

OIL FIELD

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FEB 22 1999

OIL COAL DRILL

## 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.

## 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 surface

1560' FNL &amp; 790' FEL (SE/4 NE/4)

At proposed prod. zone

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

Approx. 5 mi W of Carson Trading Post, NM

## 10. DISTANCE FROM PROPOSED\*

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

790'

## 16. NO. OF ACRES IN LEASE

1760

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

320

## 18. DISTANCE FROM PROPOSED LOCATION\* approx. 2179' from

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT. DPC Rachel #2

## 19. PROPOSED DEPTH

1375'

## 20. ROTARY OR CABLE TOOLS

Rotary

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

6280' GR (est)

## 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
9-7/8"	7"	20#	120'	60sx (71 cu.ft.) circ. to surf.
6-1/4"	4 1/2"	10.5#	1375'	135sx (225 cu.ft.) circ. to surf.

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

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

Plan to drill a 9-7/8" hole and set 120' of 7" OD, 20#, J-55 surface casing;  
then plan to drill a 6-1/4" hole to total depth with gel-water-mud program to  
test the Fruitland Coal formation. Plan to run IES and CDL logs. If determined  
productive, will run 4 1/2", 10.5#, J-55 casing, selectively perforate, frac,  
clean out after frac and complete well.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zones 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

TITLE

Vice-President

DATE

(This space for Federal or State office use)

FEB 19 1999

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.

NMOCD

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio 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

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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 AIT Number 30 045 29834		2 Pool Code 71629		3 Pool Name Basin Fruitland Coal		
4 Property Code 003812		5 Property Name Rachel			6 Well Number 90	
7 OGRID No. 006515		8 Operator Name Dugan Production Corporation			9 Elevation 6280' Estimated	

10 Surface Location

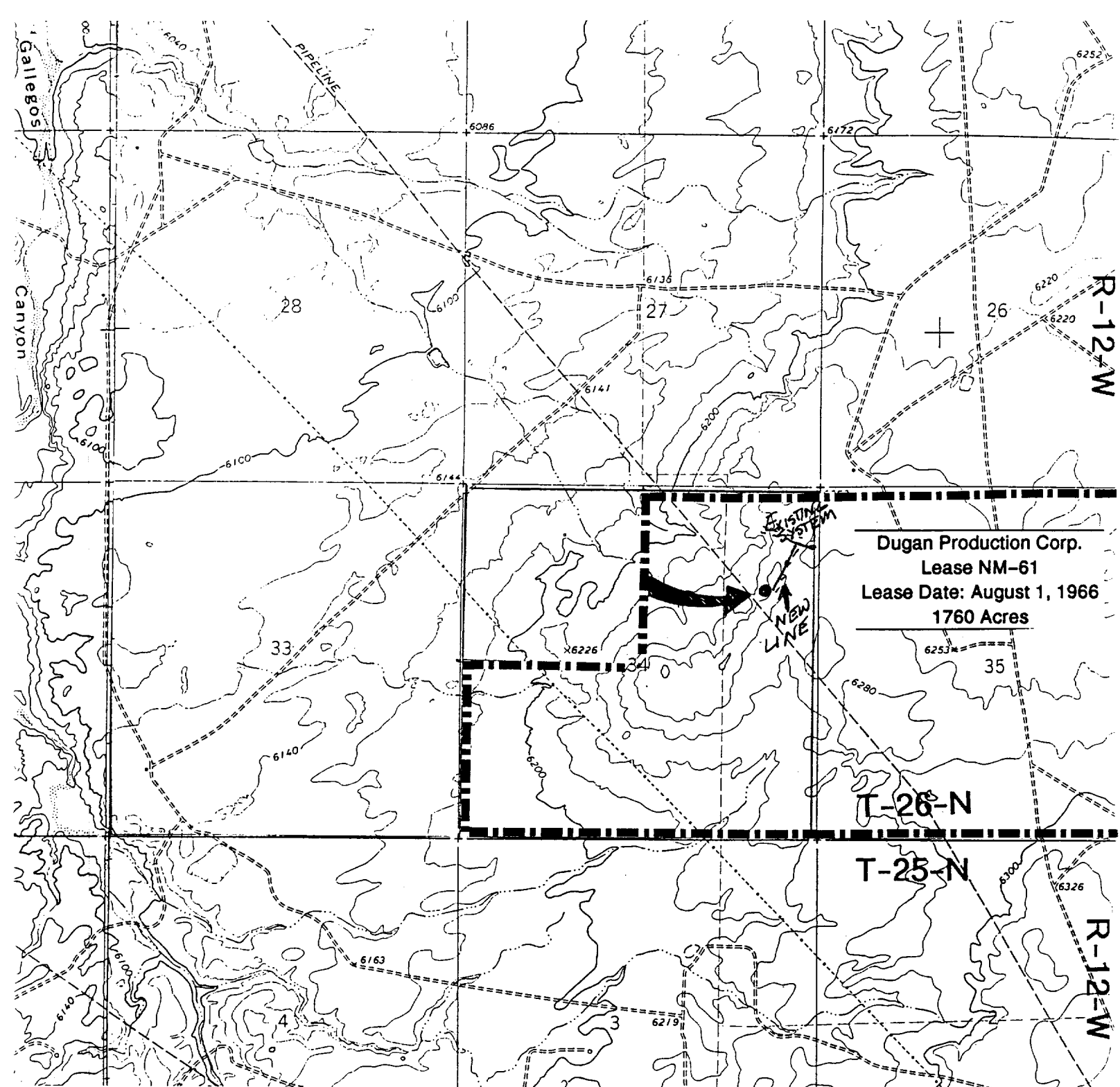
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	34	26N	12W	II	1560	North	790	East	San Juan

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 320		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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

16		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature <u>Sherman E. Dugan</u> Printed Name <u>Sherman E. Dugan</u> Title <u>Vice-President</u> Date <u>8/31/98</u>	
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.  January 29, 1998 Date of Survey Signature and Seal of <u>Edgar L. Risenhoover</u> Certificate Number <u>5979</u>		Dugan Production NM-61 Section 34	



Dugan Production Corp.  
Lease NM-61  
Lease Date: August 1, 1966  
1760 Acres

ALL CONSTRUCTION ON LEASE  
Exhibit E

T-26-N

T-25-N

R-12-W

R-12-W

Existing Roads

Proximity of nearest town or reference pt.  
Approx. 5 mi W of Carson Trading Post, NM

Type of surface dirt

Conditions good

Other  
Reference map: USGS map Carson Trading Post, NM &  
Moncisco Wash, NM

DUGAN PRODUCTION CORP.  
RACHEL #90

Planned Access Road(s) Exhibit E

Width 20' Maximum grades  
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.  
No new access is required