

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

(Other instructions on

reverse side)

RECEIVED
91 M

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

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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 (505) 325 - 1821

LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface 900' FSL & 900' FEL (SE/4 SE/4)

At proposed prod. zone

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

Approx. 5 miles NW of Carson Trading Post, NM

15. DISTANCE FROM PROPOSED*

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

900'

16. NO. OF ACRES IN LEASE

640

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. 1105' from
DPC
Bengal C #5

19. PROPOSED DEPTH

1300'

20. ROTARY OR CABLE TOOLS

Rotary

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

5930' GR (est)

22. APPROX. DATE WORK WILL START*

ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADES, SIZES OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-7/8"	7"	20#	120'	60 sx (71 cu ft) circ to surf
6-1/4"	10.5#	10.5#	1300'	130 sx (215 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 Sand/PC 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 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

Sherman E. Dugan
Sherman E. Dugan

Title Vice-President

Date 8/31/98

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

FEB 19 1999

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:

Team Lead, Petroleum Management

Approved by

/s/ Duane W. Spencer

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.

PH # 5 NMOC

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

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

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. AIT Number 30 045 29830		2. Pool Code 87190		3. Pool Name WAW Fruitland Sand PC	
4. Property Code 003586		5. Property Name Bengal C			6. Well Number 6
7. OGRID No. 006515		8. Operator Name Dugan Production Corporation			9. Elevation 5930' Estimated

10. Surface Location

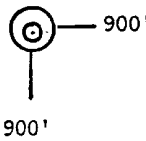
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	36	27N	13W	P	900	South	900	East	San Juan

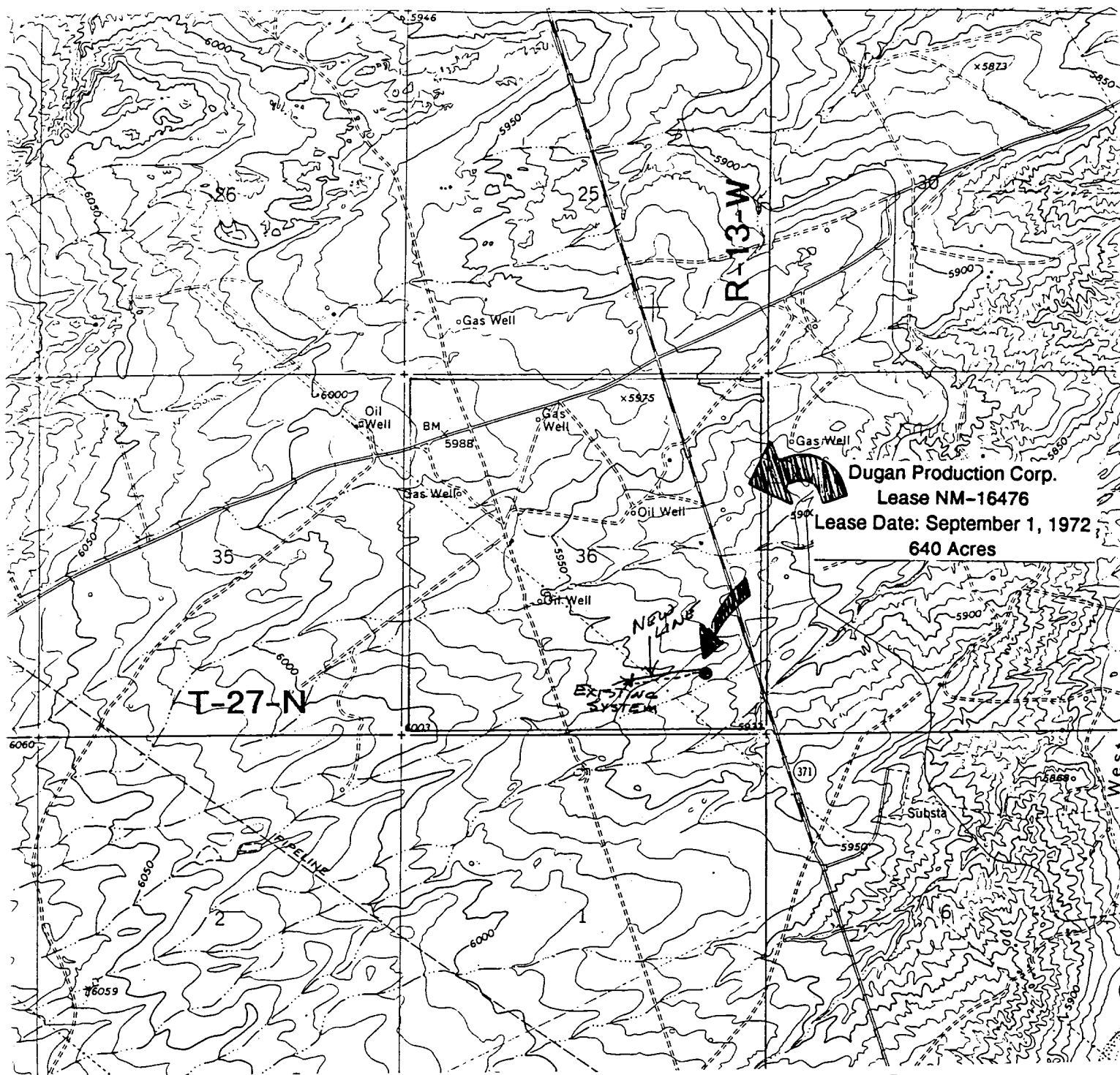
11. Bottom Hole Location If Different From Surface

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 160	13. Joint or Infill	14. Consolidation Code	15. Order No.
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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>8/28/98</u>	
Section 36				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. March 2, 1998 Date of Survey Signature and Seal of Surveyor: <u>Edgar L. Bisenchover</u> Certificate Number: <u>5979</u>	
Dugan Prod. NM-16476					



Dugan Production Corp.
Lease NM-16476
Lease Date: September 1, 1972
640 Acres

Existing Roads

ALL CONSTRUCTION ON-LEASE
Exhibit E

Planned Access Road(s)

Exhibit E

Proximity of nearest town or reference pt.
 approx. 5 miles NW of Carson Trading Post, NM

Width 20' Maximum grades 2%

Drainage design as required

Cuts & Fills as required

Surfacing material none

Type of surface dirt

Conditions good

Other

Turnouts

Culverts

Gates

Cattleguards

Fence cuts

Waterbars

Access Road &
 Pipeline

Reference map: USGS map Hugh Lake, NM
 (10' contour intervals) Dugan Production Corp.
Bengal C #6

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