

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"/>			5. LEASE DESIGNATION AND SERIAL NO. NM 013365	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Pioneer Production Corp.			7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR Box 208, Farmington, NM 87401			8. FARM OR LEASE NAME Phillips	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 1120' FSL - 1800' FWL At proposed prod. zone			9. WELL NO. 2E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 3 miles south of Bloomfield, NM			10. FIELD AND POOL, OR WILDCAT Basin Dakota	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1120'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec 22 T28N R11W	
16. NO. OF ACRES IN LEASE 200			12. COUNTY OR PARISH San Juan	
17. NO. OF ACRES ASSIGNED TO THIS WELL 320			13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 2430'			19. PROPOSED DEPTH 6250'	
20. ROTARY OR CABLE TOOLS Rotary			21. APPROX. DATE WORK WILL START* ASAP	
22. ELEVATIONS (Show whether DF, RT, GR, etc.) 5635' GL				

23. PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/2"	8-5/8"	24#	180' 200'	150 sx
7-7/8"	4-1/2"	10.5#	6250'	855 sx

Plan to drill with mud to test the Basin Dakota Formation. Plan to run IES log to TD. If productive, plan to set 4-1/2" casing, cement in two stages, selectively perforate, frac, clean out after frac, run 1-1/2" tbg and complete well.

Plan to use BOP furnished by rig while drilling (10" 3000 psi hydraulic)

Plan to use BOP rental while completing (6" 3000 psi double gate manual)

NMERB: Gas dedicated.



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.

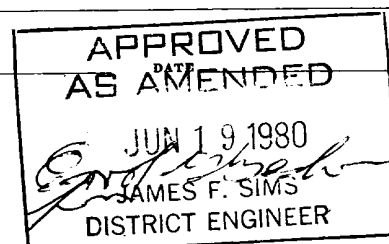
24. SIGNED Thomas A. Dugan TITLE Agent DATE 5-20-80
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY:

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DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO ALL FEDERAL AND STATE
"MINERAL ACTING LAWS"
*See Instructions On Reverse Side



**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.

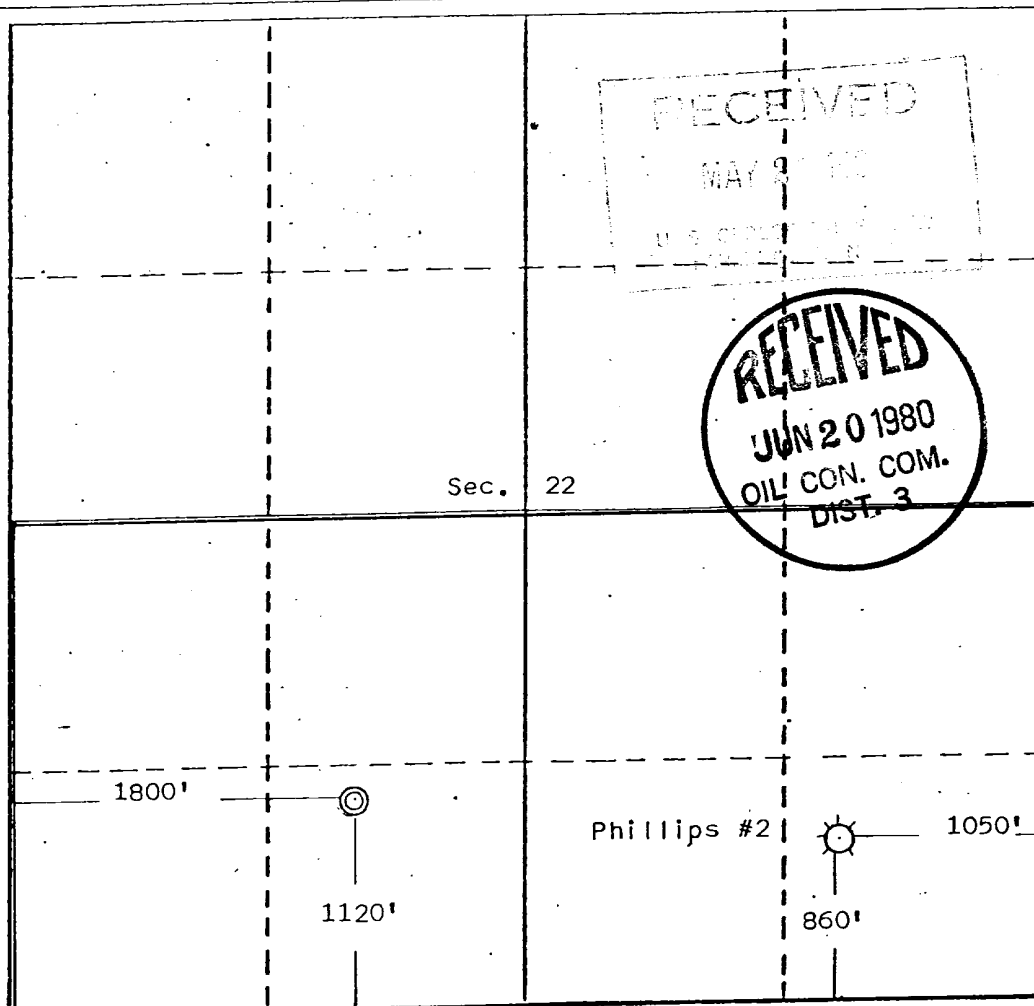
Operator Pioneer Production Corporation			Lease Phillips		Well No. 2E
Unit Letter N	Section 22	Township 28 North	Range 11 West	County San Juan	
Actual Footage Location of Well: 1120 feet from the South line and 1800 feet from the West line					
Ground Level Elev. 5635	Producing Formation Dakota	Pool Basin <i>Dakota</i>		Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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.

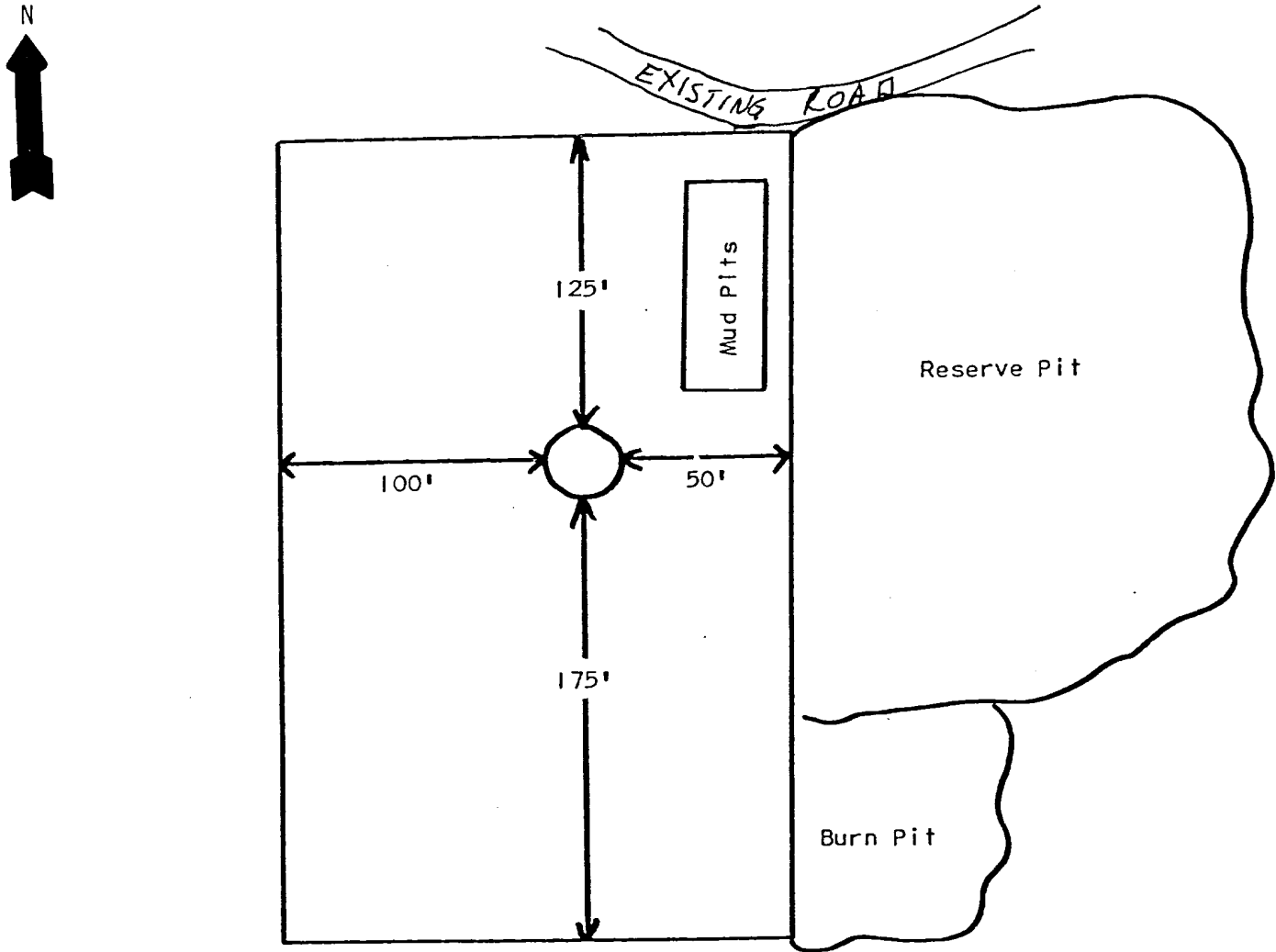
Name _____
Thomas A. Dugan
 Position _____
Agent
 Company _____
Pioneer Production Corp
 Date _____
5-20-80

I hereby certify that the 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 _____
May 3, 1980
 Registered Professional Engineer and/or Land Surveyor
Edgar L. Risenhoover
 Certificate No. **5979**
Edgar L. Risenhoover, L.S.

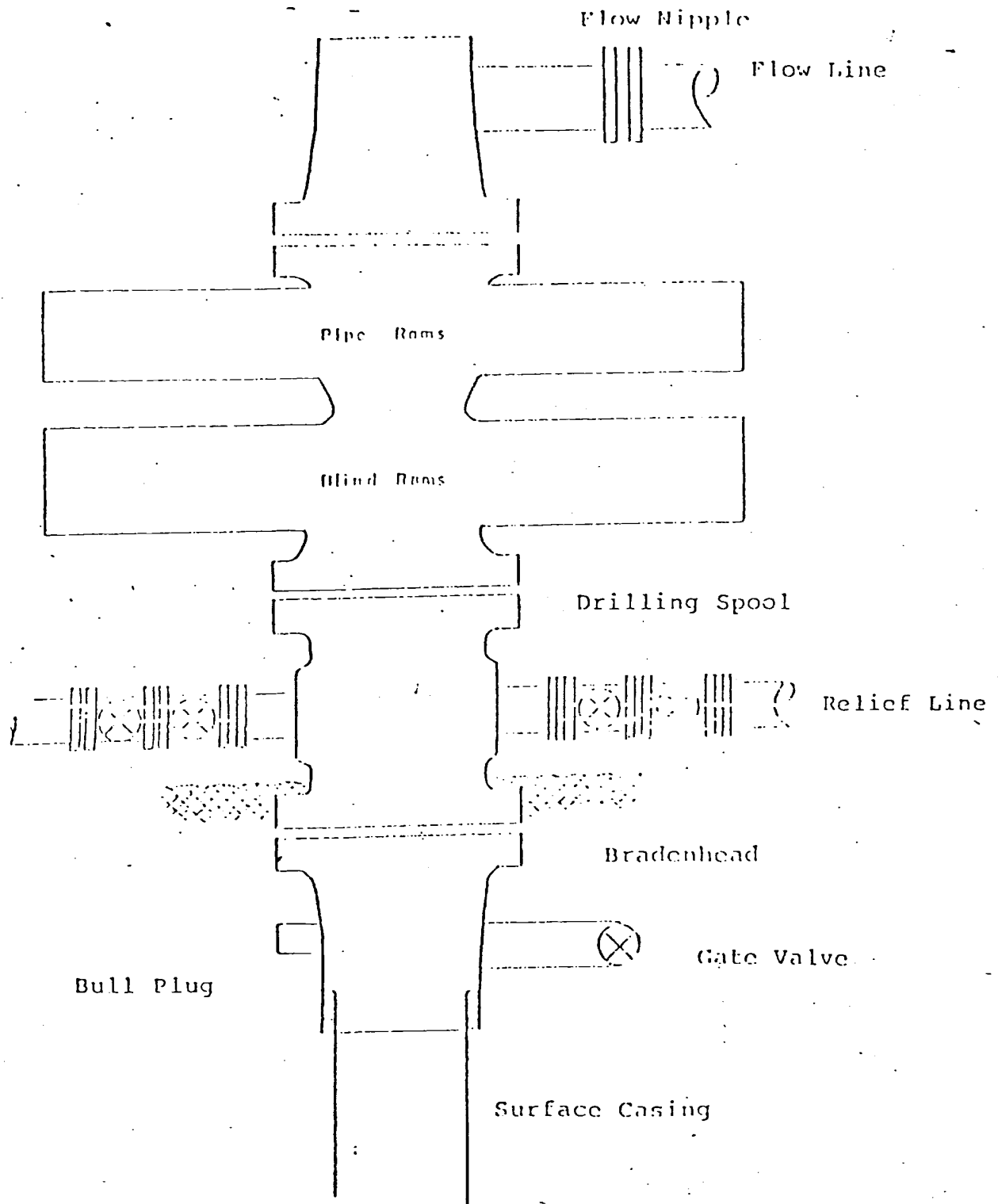
Pioneer Production Corp.
Phillips #2E

PROPOSED LOCATION LAYOUT



TYPICAL BOP INSTALLATION

FOR DAKOTA WELL



Series 900 Double Gate BOP, rated
at 3000 psi Working Pressure

When gas drilling operations begin a Shaffer type
50 or equivalent rotating head is installed on top of
the flow nipple and the flow line is converted into
a blowie line.

OPERATIONS PLAN

OPERATOR: Pioneer Production Corp.
WELL NAME: Phillips #2E
FIELD: Basin Dakota
LOCATION: 1120' FSL - 1800' FWL Sec 22 T28N R11W San Juan County, NM
ELEVATION: 5635' GL

EXPECTED FORMATION TOPS:	Ojo Alamo		Point Lookout	3894'
	Kirtland	610'	Mancos	4060'
	Fruitland	1374'	Gallup	5155'
	Pictured Cliffs	1588'	Greenhorn	5940'
	Lewis	1667'	Graneros	6001'
	Cliff House	3115'	Dakota	6041'
	Menefee	3257'	Total Depth	6250'

LOGGING PROGRAM: IES and Density Neutron

SAMPLES: Catch samples in 10' intervals beginning at 6000'

CASING PROGRAM

Hole Size	Depth	Csg Size, Wt, Grade, & Condition				Cementing Program
12-1/2"	180'	8-5/8"	24#	J-55	New	Cement to surface w/150 sx neat w/2% CaCl.
7-7/8"	6250'	4-1/2"	10.5#	K-55	New	Cement in two stages as follows:

1st stage

Cement w/200 sx 65-35 plus 12% gel and 150 sx class "B" and 1/4# flocele per sx.
Total slurry 650 cu ft.

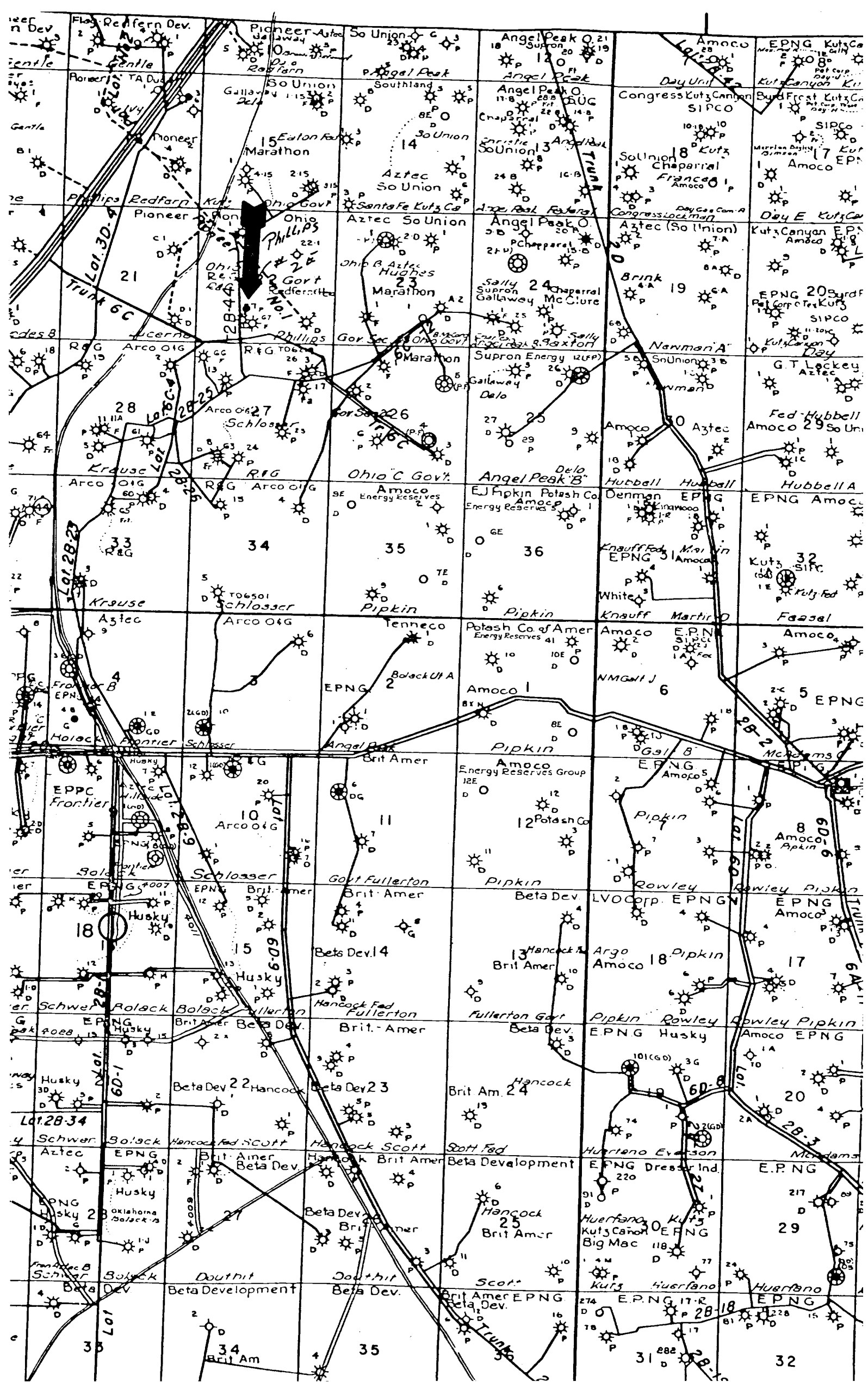
2nd stage

Cement second stage thru stage tool at 4000' w/425 sx of 65-35 plus 12% gel and 80 sx of neat w/4% gel.
Total slurry second stage: 1250 cu ft.

WELLHEAD EQUIPMENT

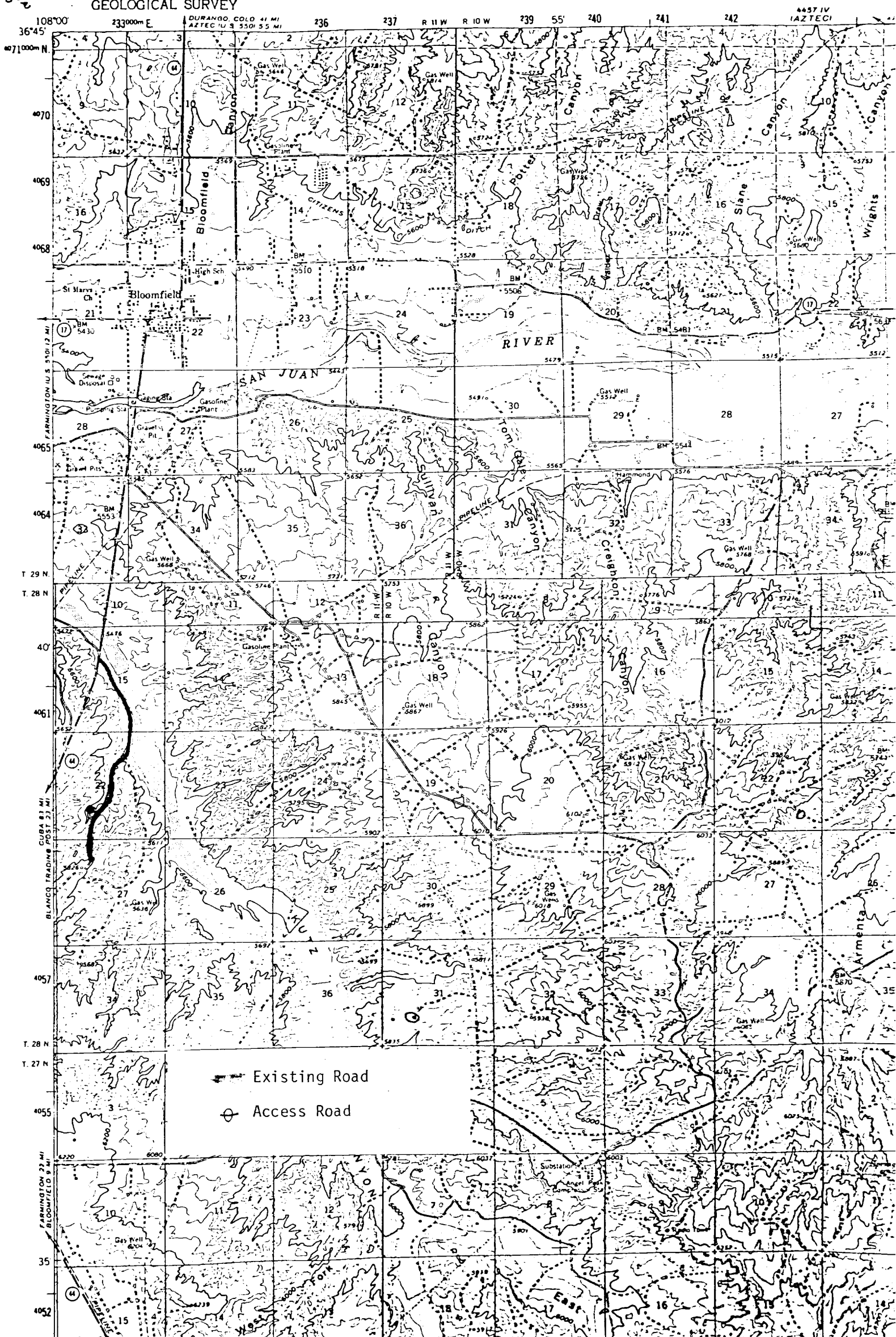
8-5/8" x 10" 600 series Bradenhead
10" x 6" 600 series New Christmas tree

Office	-	325-0238
Tom Dugan		325-5694
Jim Jacobs		325-8353
Sherman Dugan		327-4287
Bill Dugan		325-5692



1:50,000

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GEOLOGICAL SURVEY



DEVELOPMENT PLAN

Pioneer Production Corp.

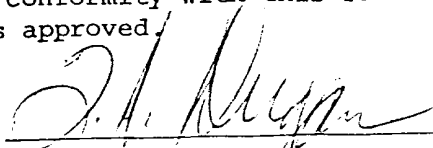
Phillips #2E

1. Existing roads and existing wells are shown on attached plat.
2. Planned access from existing road approximately 0' to new location. Will leave natural grass and small vegetation on roadway. Will remove large brush or trees from road. Do not plan to make road grade or bar ditches. Will bottom-out any arroyo we cross and not install culverts.
3. Location of well: 1120' FSL - 1800' FWL
Sec 22 T28N R11W
San Juan County, NM
4. No additional well(s) planned on this lease at this time.
5. Separator and flow line will be located within 50' of wellhead.
6. Water will be secured from San Juan River.
7. Waste materials will be buried on location or in reserve pit.
8. No permanent camp is planned; trailer house will be used on location while drilling.
9. Do not plan to build airstrip.
10. See attached plat for proposed location layout.
11. A general description of the topography, soil characteristics, geologic features, flora and fauna; other surface-use activities and surface ownership of involved lands, proximity of water, occupied dwellings, archeological, historical or cultural sites can be found in the archeologist's report.
12. Geologic name of surface formation: Unidfferentiated Tertiary
13. Estimated tops of important geologic markers:

See Attached Operations Plan
14. Estimated depths of anticipated water, oil, gas, or other mineral bearing formations which are expected to be encountered: oil - Gallup 5155' gas - PC - 1588'
DK - 6041'
15. We do not anticipate to encounter any abnormal pressures or temperatures or any potential hazards such as those associated with hydrogen sulfide.
16. Will clean up location, fill and level pits, level ruts in road, reseed location and road with Seed Mixture #2 and paint equipment with Sandstone Brown.
17. Operator's Representative:
Thomas A. Dugan
Box 208
Farmington, NM 87401
18. Certification: The following statement must be signed by the lessee's or operator's field representative who is identified in Item #17 of the Plan:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this Plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Pioneer Production Corp. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Date: 5-20-80


Thomas A. Dugan
Agent