

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

5. Lease Designation and Serial No.

NM 57445

6. If Indian, Allotted or Tribe Name

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well

Gas Well

Other

7. If Unit or CA, Agreement Designation

2. Name of Operator

Dugan Production Corp.

8. Well Name and No.

Zappa #3

3. Address and Telephone No.

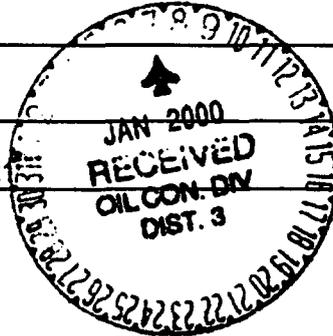
P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821

9. API Well No.

30 045 29908

Location of Well (Footage, Sec., T., R., M., or Survey Description)

790' FSL & 1190' FEL (SE/4 SE/4)
Unit P, Sec. 27, T22N, R8W, NMPM



10. Field and Pool, or Exploratory Area

Bisti Chacra Ext.

11. County or Parish, State

San Juan, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other

Completion

- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Run GR-CCL-CNL from PBSD (1362') to surface. Perforate Chacra 1130', 37', 44', 53', 63', 72', 80', 95', 1207', 13', 20', 22', 30', 37', 42', 52' (total 16 holes). Acidize with 750 gals 15% HCL.

14. I hereby certify that the foregoing is true and correct

Signed John Alexander Title Vice-President

Date 12/13/99

(This space for Federal or State office use)

Approved by _____ Title _____

Date _____

Conditions of approval, if any:

ACCEPTED FOR RECORD

JAN 05 2000

SUBMIT IN DUPLICATE:
(Other instructions on reverse side)

FORM APPROVED
CMB NO. 1004-0137

Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

3. LEASE DESIGNATION AND SERIAL NO.

NM 57445

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM, CR, LEASE NAME, WELL NO.

Zappa #3

9. API Well No.

30 045 29908

10. FIELD AND POOL, OR WILDCAT

Bisti Chacra Ext.

11. SEC., T., R., M., OR BLOCK AND SURVEY
OR AREA

Unit P

Section 27, T22N, R8W

12. COUNTY OR PARISH

San Juan

13. STATE

NM

1.a. TYPE OF WELL:

OIL WELL GAS WELL DRY OTHER

b. TYPE OF COMPLETION:

NEW Well WCRK OVER DEEP-EN PLUG BACK DIFF. CENTR. OTHER

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325-1821

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

At surface 790' FSL & 1190' FEL (SE/4 SE/4)

At top prod. interval reported below same

At total depth same

14. PERMIT NO.

DATE ISSUED

12. COUNTY OR PARISH

San Juan

13. STATE

NM

15. DATE SPUDED

7/6/99

16. DATE T.D. REACHED

7/8/99

17. DATE COMPL. (Ready to prod.)

12/2/99

18. ELEVATIONS (CF, RKB, RT, GR, ETC.)*

6738'

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

1405'

21. PLUG BACK T.D., MD & TVD

1362'

22. IF MULTIPLE COMPL., HOW MANY*

23. INTERVALS DRILLED BY

ROTARY TOOLS

CABLE TOOLS

TD

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)*

1130' - 1252' (Chacra)

25. WAS DIRECTIONAL SURVEY MADE

no

26. TYPE ELECTRIC AND OTHER LOGS RUN

GR-CCL-CNL

27. WAS WELL CORED

no

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
7"	20#	120'	9-1/8"	59 cu ft class "B" containing 1/4# celloflake/sx	
4-1/2"	10.01#	1398'	6-1/4"	102 cu ft 2% Lodense containing 1/4# celloflake/sx.	
				Tail w/118 cu ft class "B" containing 1/4# celloflake/sx.	
				Total 220 cu ft.	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	30. TUBING RECORD
					SIZE DEPTH SET (MD) PACKER SBT (MD)
					2-3/8" 1198' NA

31. PERFORATION RECORD (Interval, size and number)

1130', 37', 44', 53', 63', 72', 80', 95', 1207', 13', 20', 1222', 30', 37', 42', 52' w/1 spf (16 holes)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
1130' - 1252'	750 gals 15% HCL

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump)	WELL STATUS (Producing or shut in)					
12/2/99	capable of production	shut-in					
DATE OF TEST	HOURS TESTED	CHOKED SIZE	PRODN FOR TEST PERIOD	OIL - MCF.	GAS - MCF.	WATER - BBL.	GAS - OIL RATIO
12/7/99	24 hours						
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24 - HOUR RATE	OIL - BBL.	GAS - MCF.	WATER - BBL.	OIL GRAVITY (API GRAV.)	WATER GRAVITY (API GRAV.)
242 psi - SI	242 psi - SI						

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

vented - to be sold

TEST WITNESSED BY

C. Hall

35. LIST OF ATTACHMENTS

FARMINGTON FIELD OFFICE
BY

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED John D. Roe
John D. Roe

Title Engineering Manager

Date 12/7/99

*(See Instructions and Spaces for Additional Data on Reverse Side)

(List, including depth interval tested on used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
				Ojo Alamo	78'	
				Kirtland	209'	
				Fruitland	568'	
				Pictured Cliffs	777'	
				Lewis	940'	
				Chacra	1124'	

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well Gas Well Other

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 (Footage, Sec., T., R., M., or Survey Description)

790' FSL & 1190' FEL (SE/4 SE/4)
Unit P, Sec. 27, T22N, R8W, NMPM

5. Lease Designation and Serial No.

NM 57445

6. If Indian, Allotted or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Zappa #3

9. API Well No.

30 045 29908

10. Field and Pool, or Exploratory Area

Bisti Chacra Ext.

11. County or Parish, State

San Juan, NM

RECEIVED
JUL 19 1999

OIL CON. DIV.
DIST. 3

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Surface casing</u>	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Spud @ 1130 hrs 7/6/99. Run 7" 20# K-55 casing. Land @ 120'. Cement with 59 cu. ft. class "B" containing 1/4# celloflake/sx. Circulate 2 bbls cement to surface. Pressure test casing to 600 psi with no leaks.

RECEIVED
BLM
99 JUL -9 PM 12:02
070 FARMINGTON, NM

14. I hereby certify that the foregoing is true and correct

Signed John Alexander Title Vice-President Date 7/8/99
John Alexander

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

ACCEPTED FOR RECORD

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.

*See Instruction on Reverse Side

JUL 14 1999
FARMINGTON FIELD OFFICE
BY E-15

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

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SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.

NM 57445

6. If Indian, Allotted or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Zappa #3

9. API Well No.

30 045 29908

10. Field and Pool, or Exploratory Area

Bisti Chacra Ext.

11. County or Parish, State

San Juan, NM

1. Type of Well

Oil Well

Gas Well

Other

RECEIVED
JUL 19 1999

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821

OIL CON. DIV.
DIST. 3

Location of Well (Footage, Sec., T., R., M., or Survey Description)

**790' FSL & 1190' FEL (SE/4 SE/4)
Unit P, Sec. 27, T22N, R8W, NMPM**

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- Subsequent Report
- Final Abandonment Notice

TYPE OF ACTION

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other Cement long string
- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Drill to 1405' TD on 7/8/99. Run 4-1/2" 10.5# casing @ 1398'. Cement with 102 cu. ft. 2% Lodense containing 1/4# celloflake/sx. Tail with 118 cu. ft. class "B" containing 1/4# celloflake/sx. Plug down 1030 hrs. 7/9/99. Circulate 10 bbls cement to surface. Total slurry 220 cu. ft.

RECEIVED
BLM
99 JUL 14 AM 11:21
070 FARMINGTON, NM

14. I hereby certify that the foregoing is true and correct

Signed

John Alexander
John Alexander

Title

Vice-President

Date

7/13/99

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

ACCEPTED FOR RECORD

JUL 14 1999

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.

*See Instruction on Reverse Side

NMOC

FARMINGTON, NM
BY *[Signature]*

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1.a. TYPE OF WORK

DRILL

DEEPEN

9 APR 22 PM 2:50

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 790' FSL & 1190' FEL

At proposed prod. zone

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

Approx. 9.5 miles southeast of 44 Store, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT. 1190'
(Also to nearest drig. unit line, if any)

16. NO. OF ACRES IN LEASE

2280

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. 13770'
from DPC
Zappa #2

19. PROPOSED DEPTH

1370'

20. ROTARY OR CABLE TOOLS

Rotary

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

6738' GL

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'	50 cu.ft. (59 sx) circ. to surface
6-1/4"	4-1/2"	10.5#	1370'	214 cu.ft. (155 sx) circ to surface

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 Chacra 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 Title Vice-President Date 4/21/99

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE JUN 02 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:

Approved by /s/ Duane W. Spencer Title Team Lead, Petroleum Management 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.

OK @

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

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

RECEIVED
 22 APR 22 PM 2:51
 070 FARMINGTON, NM

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30 045 29908		2 Pool Code 96166		3 Pool Name Bisti Chacra Ext.	
4 Property Code 13361		5 Property Name Zappa			6 Well Number 3
7 OGRID No. 006515		8 Operator Name Dugan Production Corporation			9 Elevation 6738'

10 Surface Location

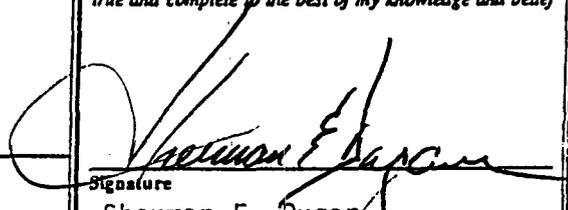
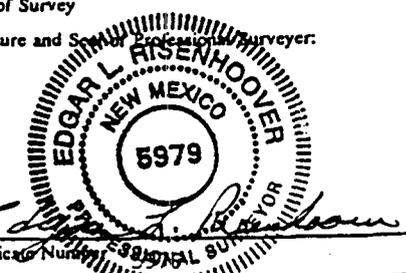
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
P	27	22N	8W	P	790	South	1190	East	San Juan

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	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				RECEIVED JUN - 4 1999 OIL CON. DIV. DIST. 3	17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  Signature Sherman E. Dugan Printed Name Vice-President Title 4/19/99 Date
			Section 27		
					18 SURVEYOR CERTIFICATION <i>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.</i> April 6, 1999 Date of Survey Signature and Seal of Professional Surveyor:  Certificate Number 5979
		Dugan Prod. NM 57445		