

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-101  
Revised March 17, 1999

Submit to appropriate District Office  
State Lease - 6 Copies  
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address Dugan Production Corp. 709 East Murray Drive, Farmington, New Mexico 87401		<sup>2</sup> OGRID Number 006515
		<sup>3</sup> API Number 30-045-32242
<sup>4</sup> Property Code 3850	<sup>5</sup> Property Name State Com	<sup>6</sup> Well No. 2A

<sup>7</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	16	32N	12W		1850	North	1850	West	San Juan

<sup>8</sup> Proposed 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

<sup>9</sup> Proposed Pool 1 Blanco Mesaverde	<sup>10</sup> Proposed Pool 2
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<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code S	<sup>15</sup> Ground Level Elevation 6305' GL
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 4500	<sup>18</sup> Formation Mesaverde	<sup>19</sup> Contractor Unknown	<sup>20</sup> Spud Date ASAP

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12-1/4"	8-5/8"	24#	200'	125 cu. ft.	Surface
7-7/8"	4-1/2"	10.5#	4500'	1500 cu. ft.	Surface

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.

Describe the blowout prevention program, if any. Use additional sheets if necessary.

Plan to drill a 12-1/4" hole and set 200' of 8-5/8" O.D., 24#, J-55 surface casing. Then plan to drill a 7-7/8" hole to total depth using standard 2,000 psi BOP and gel-water mud program to test the Mesaverde. 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.

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Kurt Fagrelus*

Printed name: Kurt Fagrelus

Title: Geologist

Date:  
3/18/2004

Phone:  
505-325-1821

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

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

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-045-32242</b>		*Pool Code <b>72319</b>	*Pool Name <b>BLANCO MESAVERDE</b>
*Property Code <b>3850</b>	*Property Name <b>STATE COM</b>		*Well Number <b>2A</b>
*GRID No. <b>006515</b>	*Operator Name <b>DUGAN PRODUCTION CORPORATION</b>		*Elevation <b>6035'</b>

#### 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
F	16	32N	12W		1850	NORTH	1850	WEST	SAN JUAN

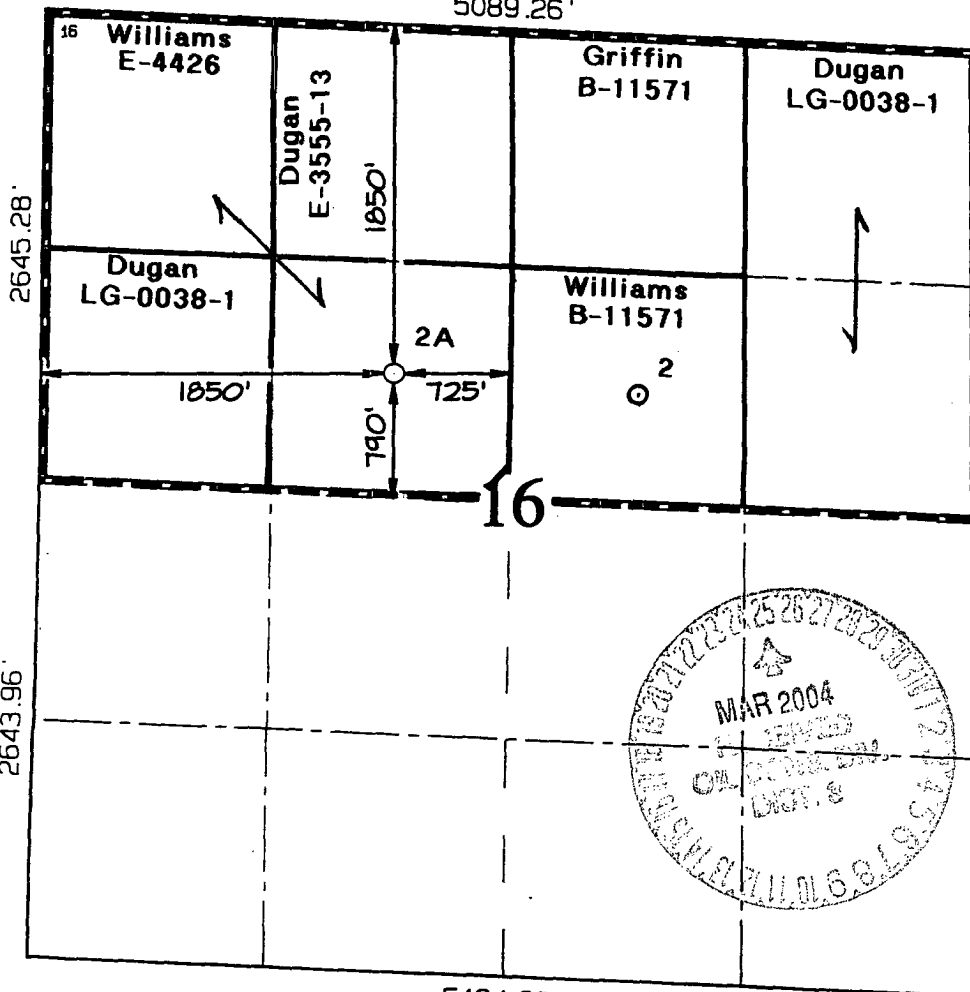
#### 11 Bottom Hole Location If Different From Surface

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 <b>320.0 Acres - (N/2)</b>	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

5089.26'



#### 17 OPERATOR CERTIFICATION

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

Kurt Fagrelus  
Signature  
Kurt Fagrelus

Printed Name  
Geologist

Title  
3/18/2004

Date

#### 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.

Survey Date: FEBRUARY 16, 2004

Signature and Seal of Professional Surveyor



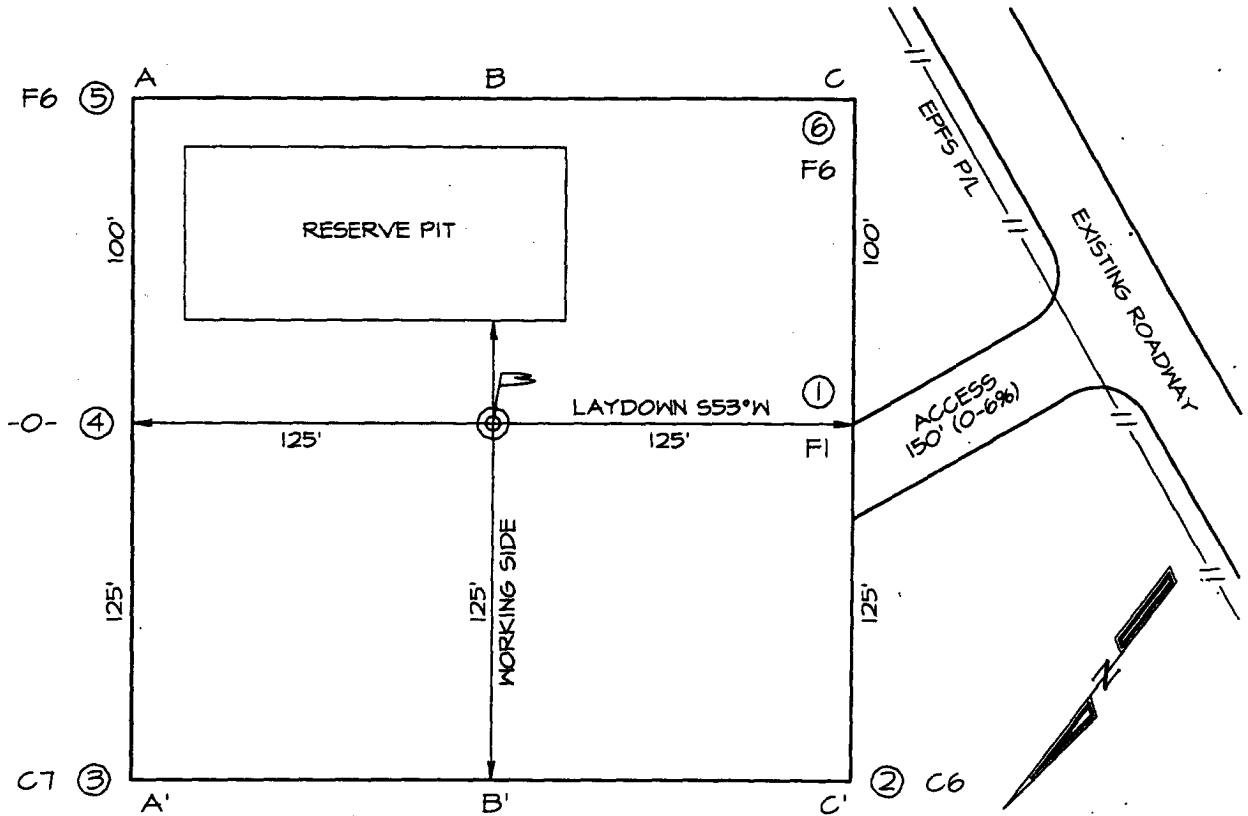
JASON C. EDWARDS  
Certificate Number 15269

**DUGAN PRODUCTION CORPORATION STATE COM #2A**  
**1850' FNL, 1850' FWL, SECTION 16, T32N, R12W, NMPM**  
**SAN JUAN COUNTY, NEW MEXICO GROUND ELEVATION: 6035'**

**LATITUDE: 36°59'18"**  
**LONGITUDE: 108°06'10"**  
 DATUM: NAD1927

PLAT NOTE:

\*SURFACE OWNER\*  
 State of New Mexico



A-A'						
6045'						
6035'						
6025'						

B-B'						
6045'						
6035'						
6025'						

C-C'						
6045'						
6035'						
6025'						