

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

¹ Operator Name and Address Dugan Production Corp. 709 East Murray Drive, Farmington, NM 87401		² OGRID Number 006515
³ Property Code 33033	⁵ Property Name Monte Carlo Com	³⁰ API Number 045-31945
		⁶ Well No. 90

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	7	30N	14W		972	South	896	West	SJ

⁸ 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

⁹ Proposed Pool 1 Basin Fruitland Coal	¹⁰ Proposed Pool 2
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¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 5373'
¹⁶ Multiple No	¹⁷ Proposed Depth 880'	¹⁸ Formation Fruitland Coal	¹⁹ Contractor W. Smith	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
11"	8-5/8"	23#	120'	70-cu.ft.	Surface
7"	5-1/2"	14#	880'	150-cu.ft.	Surface

²² 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.

A water based gel-mud will be used to drill surface and production casing holes. A standard 2,000 psi BOP will be used to drill production casing hole. The Fruitland Coal will be completed from approximately 590' - 740'. The interval will be fractured.

²³ 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: Oct. 3, 2003

Phone: 505-325-1821

OIL CONSERVATION DIVISION

Approved by:

[Signature]

Title: DEPUTY OIL & GAS INSPECTOR, DIST. 10

Approval Date: OCT - 8 2003

Expiration Date: OCT - 8 2004

Conditions of Approval:

Attached ☐

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 71629	³ Pool Name BASIN FRUITLAND COAL
⁴ Property Code	⁵ Property Name MONTE CARLO COM	⁶ Well Number 90
⁷ OGRID No. 006515	⁸ Operator Name DUGAN PRODUCTION CORP.	⁹ Elevation 5373

¹⁰ Surface Location

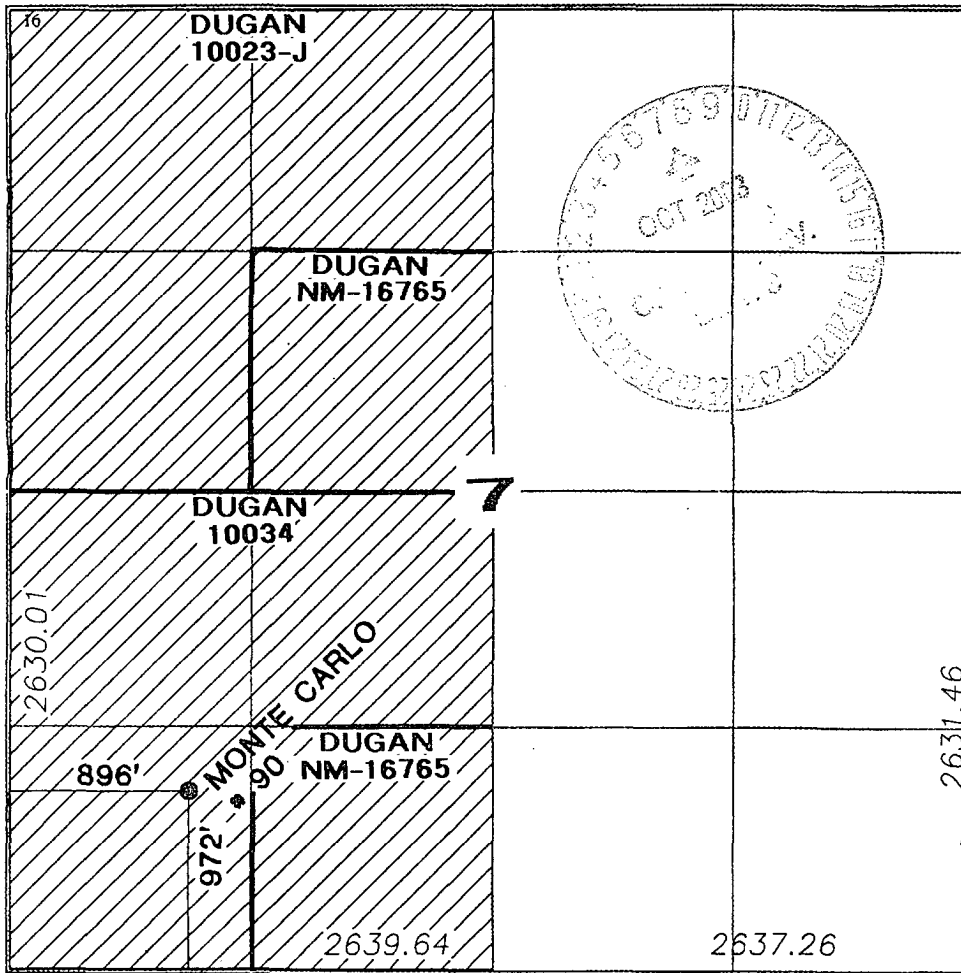
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	7	30 N	14 W		972	SOUTH	896	WEST	SAN JUAN

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 320 W/2	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

	<p>¹⁶ DUGAN 10023-J</p> <p>DUGAN NM-16765</p> <p>DUGAN 10034</p> <p>DUGAN NM-16765</p> <p>2630.01</p> <p>896'</p> <p>972'</p> <p>2639.64</p> <p>2637.26</p>
	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature <i>Kurt Fagrelus</i></p> <p>Printed Name Kurt Fagrelus</p> <p>Title and E-mail Address Geologist</p> <p>Date Oct. 3, 2003</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey 18 SEP 2003</p> <p>Signature of Professional Surveyor <i>[Signature]</i></p> <p>Certificate Number 15512</p>