

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-039-22850

5. LEASE DESIGNATION AND SERIAL NO.
NM 28738

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
Adare

9. WELL NO.
#1

10. FIELD AND POOL, OR WILDCAT
Ballard P.C. A

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
A Sec 12 T23N R6W

12. COUNTY OR PARISH
Rio Arriba

13. STATE
NM

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK
DRILL ☒ DEEPEN ☐ PLUG BACK ☐

b. TYPE OF WELL
OIL WELL ☐ GAS WELL ☒ OTHER ☐
SINGLE ZONE ☐ MULTIPLE ZONE ☐

2. NAME OF OPERATOR
DUGAN PRODUCTION CORP.

3. ADDRESS OF OPERATOR
P O Box 208, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 880' FNL - 800' FEL
At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
3 miles NE of Counselors, NM

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)
800'

16. NO. OF ACRES IN LEASE
320

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.
2500'

19. PROPOSED DEPTH
2150'

20. ROTARY OR CABLE TOOLS
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
6760' GL

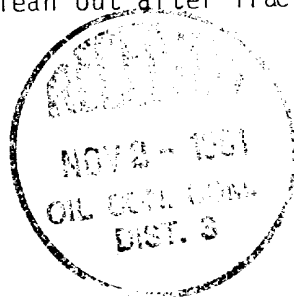
22. APPROX. DATE WORK WILL START*
ASAP - 11-1-81 exp. date

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
6-1/4"	4-1/2"	10.5# J-553	90'	25 sx cement to surface
4-3/4"	2-7/8"	6.5# J-553	2150'	170 cu.ft. slurry

Plan to drill w/ as little mud as possible, using the slim hole technique to test the Pictured Cliffs formation. If productive, plan to set 2-7/8" casing, selectively perforate, frac, clean out after frac and complete well w/ 1 1/4" tbg.

GAS NOT 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 prevention program, if any.

24. SIGNED Jerome P. McHugh Jr. TITLE Landman DATE 9-19-81
(This space for Federal or State office use)

PERMIT NO. APPROVAL DATE
APPROVED BY [Signature] TITLE Acting Dist. Super DATE
CONDITIONS OF APPROVAL, IF ANY:

NMOCC

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

All distances must be from the outer boundaries of the Section.

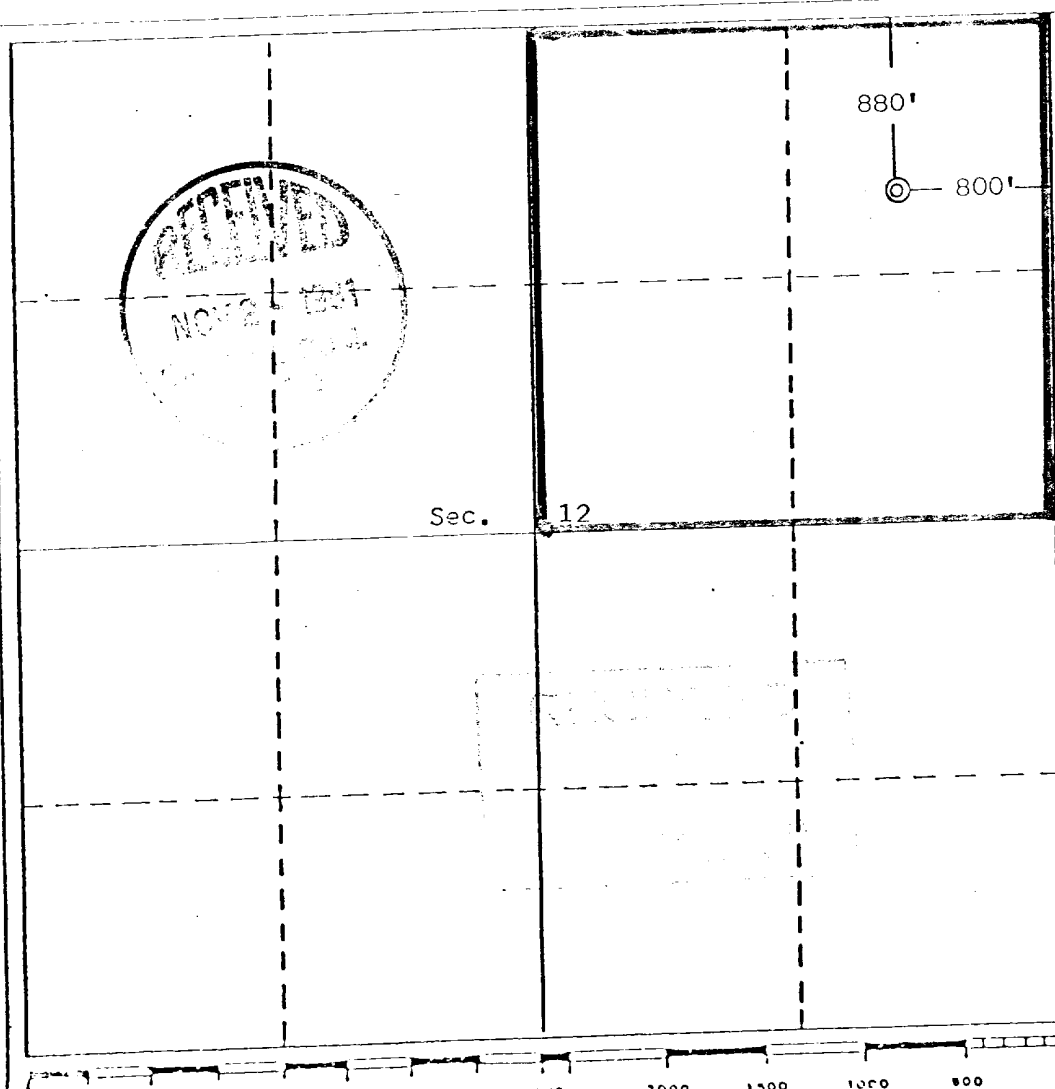
Operator Dugan Production Corporation		Lease Adare		Well No. 1
Unit Letter A	Section 12	Township 23 North	Range 6 West	County Rio Arriba
Actual Footage Location of Well:				
880	feet from the North	line and	800	feet from the East
Ground Level Elev. 6760	Producing Formation Pictured Cliffs	Pool Ballard P.C.	Dedicated Acreage: 160 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 Division.



CERTIFICATION

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

Jerome P. McHugh Jr.
Name
Jerome P. McHugh Jr.

Position
Landman

Company
Dugan Production Corp.

Date
9-19-81

I hereby certify that the location shown on this plat is the location of the well shown on the map and that the same is correct to the best of my knowledge and belief.

Date Surveyed
August 21, 1981

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover
Certificate No. 5979
Edgar L. Risenhoover, L.S.



Existing Road ---
Access Road —

DUGAN PRODUCTION CORP.
Adare #1