| UNITED        | STATES  |       |
|---------------|---------|-------|
| DEPARTMENT OF | THE INT | FRIOR |

| Form 9-331 C<br>(May 1963)                                       | 6 BLM  |                        | horney Oil <sub>s</sub>                | UBMIT IN TR                        | UPLICATE*                   | Form approved.<br>Budget Bureau No. 42-B1425.   |
|--|--|------------------------|--|------------------------------------|-----------------------------|---|
|  |  | ITED STATES            |  | reverse si                         |                             | 30-045-21045  |
|  |  | IT OF THE II           | ; <del>-</del>                         |                                    | ſ                           | S. LEASE DESIGNATION AND SERIAL NO.   |
| A DDL IC A TIC   |  | OGICÁL SURVE           |  |                                    |                             | NM 42059  |
| la. TYPE OF WORK   | ON FOR PERMIT  | TO DRILL, D            | DEEPEN, OR                             | PLUG B.                            | ACK                         | 6. IF INDIAN, ALLOTTER OR TRIBE HAME  |
| b. TYPE OF WELL  | RILL 🛛   | DEEPEN [               | <del>-</del> .                         | PLUG BAC                           |                             | 7. UNIT AGREEMENT NAME  |
| WELL X   | WELL LIER  |                        | ZONE X                                 | MULTIPE<br>Zone                    |                             | 8. FARM OR LEASE NAME Champ   |
| DUGAN PROD   | UCTION CORP.   |                        |  |                                    | -                           | 9. Wall No.   |
| 3. ADDRESS OF OPERATO  |  |                        |  |                                    |                             | 4   |
| P.O. Box 208   | , Farmington, N  | M 87499                |  |                                    |                             | 10. FIELD AND POOL, OR WILDCAT  |
| 2030' FNL - 1-<br>At proposed prod. 20                           | ae   |                        |  | :ments.*)                          | -                           | South Bisti Gallup  11. SEC. T. R. M. OR ELE. AND BURYET OF AREA  Sec. 5, T23N, R10W, NMP |
|  | AND DIRECTION FROM NE  |                        |  |                                    |                             | 12. COUNTY OR PARISE   13. STATE  |
| approx. 91   | niles SW of Blar   | co Trading P           | ost                                    |                                    |                             | San Juan NM   |
| 15. DISTANCE FROM PROI<br>LOCATION TO NEARE<br>PROPERTY OR LEASE | IT .   |                        | 16. NO. OF ACRES                       | IN LMASS                           | 17. NO. OF<br>TO THE        | ACRES ASSIGNED  |
| (Also to mearest dr  | g. unit line, if any)  | 950'                   | 480 2                                  | 118.04                             |                             | W/80  |
| 13. DISTANCE FROM PRO<br>TO NEAREST WELL,                        | DRILLING, COMPLETED,   | PC's nichnock          | 19. PROPOSED DEP                       | - 1                                | 20. ROTARY                  | OR CABLE TOOLS  |
| OR APPLIED FOR, ON TI<br>21. ELEVATIONS (Show wi                 |  | P #3RILLING OFE        | RATIO <b>4695</b>                      | RIZED ARE                          | •                           | Rotary  |
| _ <del>6565</del> ¹ GL € 5                                       | comer Dr. mr. dr. eve.)  |                        | OMPLIANCE WIT                          |                                    |                             | 22. APPROX. DATE WORE WILL START  |
| 23.  |  | "GENERAL RE            | OUIREMENTS".                           | ·                                  |                             | ASAP  |
|  |  | PROPOSED CASING        | AND CEMENTI                            | NG PROGRAM                         |                             | on is subject to technical and  |
| SIZE OF HOLE   | RIZE OF CASING   | WEIGHT PER FOO         | T SETTIN                               | G DEPTH                            | and appe                    | at review pursuant to 43 CFR 3165.3 pai 97475661795FR 3165.4.                             |
| 12-1/4"<br>7-7/8"  | 8-5/8"   | 24#                    | 200                                    |                                    | 206 cu                      | .ft. circ. to surface   |
| 7-776  | 4-1/2"   | 10.5#                  | 4695'                                  |                                    | 1512 CU                     | .ft. circ. to surface   |
|  |  |                        | <u> </u>                               |                                    |                             |   |
|  |  |                        | •                                      |                                    |                             | :   |
| Gallup formation   | 12-1/4" hole an<br>rill a 7-7/8" hol<br>on. Plan to run<br>.5#, J-55 casin | e to total dep         | th with gel<br>Llogs. If               | l-water-m<br>determin              | ed pro                      | gram to test  |
| VED SOUR PM 20439  | icated.  |                        |  |                                    | GE1<br>UN 0 9 18            |   |
| ı<br>M⊆ o se   |  |                        |  | OII                                | CON                         | DIV   |
| 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1                            | )<br>•<br>]  |                        |  | OIL CON. DIV.                      |                             |   |
| ABOVE SPACE BESCHES  | PROPOSED PROCESS - TO  | ronossi is to dource   |  |                                    |                             |   |
| ne. If proposal is to a  | iriii or deepen directiona   | ily, give pertinent de | or plug back, give<br>ta on subsurface | e data on prese<br>locations and : | ent producti<br>measured as | ive zone and proposed new productive<br>id true vertical depths. Give blowout             |
| eventer program, if any  |  |                        | :<br>                                  |                                    | <u>-</u>                    |   |
| SIGNED 1   | Jach   |                        | Vice-P                                 | resident                           |                             | 4-19-88   |
| (This space for Feder  | lim A Jacobs   |                        |  |                                    |                             |   |
|  | Downer Ameng #100)   |                        |  |                                    | *                           |   |

| BIGHED I Lacobs                              | TITLS | Vice-President | 4-19-88       |
|--|-------|----------------|---------------|
| (This space for Federal of State office use) |       | APPROVAL DATE  |               |
| APPROVED BY                                  | TITLE |                | 4.00          |
| COMDITIONS OF APPROVAL, IF ANY               |       |                | JUN 19 7 1982 |

NWCZO

\*See Instructions On Reverse Side

## STATE OF NEW MEXICO

## OIL CONSERVATION DIVISION P. O. BOX 2088 ENERGY AND MINERALS DEPARTMENT SANTA FE, NEW MEXICO 87501

Form C-102 Revised 10-1-78

| Dugan Production Corporation    Composition   Composition  | Chetatot   |  | VI Distance whet De     | from the outer boundaries of | the Section.                            |  |
|--|--|--|-------------------------|------------------------------|---|--|
| James Letter Section   Township   G   Section   Township   G   S   North   Recognition   G   S   North   Now   D   North   Nor | Dugan 1  | Production Co                          | rporation               | Chamo                        |   | Well No.   |
| trived Fosters Location of Validation of Val | Unit Letter  |  |                         |                              | County                                  | 4  |
| 1740 feature of walls 1740 feature of walls 1740 feature of walls 1740 feature of walls 1740 feature of feature of walls 1740 feature of featur |  | 1                                      | 23 North                | 1                            | 1                                       |  |
| doubt Level Ciev.  1. Producing Formation 6583.  Gallup 1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 work in 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 reverne side on 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 Cored-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division Cored-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division Cored-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division Cored-pooling or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division Cored-pooling or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division Cored-pooling or otherwise in true and complete so the best of appropriate for the well of the well  |  | cation of Well;                        | <del></del>             |                              | Jan Juan                                |  |
| South Bisti Gallup    Pool   Dedicated Accesses   Dedicated Accesses   |  |  | Time Cana               | 2235                         | I Imm the Foot                          | •  |
| 1. Outline the acreage dedicated to the subject well by colored pencil or hachter 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 work in 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  |  | Producing Fo                           | rmation                 |                              | Cast                                    |  |
| 1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 workin 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 deed by communitization, unitization, force-pooling, etc?    Yes  |  |  |                         | South Bisti Ga               | llup                                    | an .   |
| 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (hoth as to workin 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   | 1. Outline th  | e acreage dedica                       | ated to the subject we  | ell by colored pencil or     | hachure marks on the                    | ha alan la l   |
| Yes   No   If answer is "yes," type of consolidation   | <ul><li>2. If more the interest ar</li><li>3. If more that</li></ul> | nan one lease is and royalty).         | dedicated to the well   | , outline each and iden      | atily the ownership t                   | hereof (both as to working   |
| CERTIFICATION  1740'  1 | Yes If answer i  | No If an s "no," list the concessary.) | nswer is "yes," type of | consolidation                | ually been consolida                    | ated. (Use reverse side of   |
| I heraby certify that the information contained herain is true and complete to the heat of my knowledge and heliaf.  Mane  Jim L. Jacobs  Position  Geologist  Company  Date  5-23-88  RISENT  RISENT  I heraby certify that the information contained herain is true  Mane  Jim L. Jacobs  Position  Geologist  Company  Date  5-23-88  RISENT  RISENT  I heraby certify that the information contained herain and the series of the production of the series of the se | forced-pool  | ing, or otherwise)                     | or until a non-standard | interests have been co       | interests, has been                     | approved by the Division   |
| toined herein is true and complete to the heat of my knowledge and belief.    Dugan Prod. Ls.#NM-42059   |  | 1                                      |                         | i '                          |   | CERTIFICATION  |
| toined herein is true and complete to the heat of my knowledge and belief.    Dugan Prod. Ls.#NM-42059   | •  | ı                                      |                         |                              | 1 | and the standard of the standa |
| Dugan Prod. Ls.#NM-42059  SECTION 5  Dear of my knowledge and belief.  Jim L. Jacobs Position Geologist Company Dugan Production Corp. Date 5-23-88  RISEN,  |  |  | 17401                   |                              | E 3                                     |  |
| Dugan Prod. Ls. #NM-42059  SECTION 5  SECTION 5  Description Geologist  Company Dugan Production Corp.  Date 5-23-88  RISEN, RIS |  | 1                                      | 1740.                   |                              |   |  |
| Dugan Prod. Ls.#NM-42059  SECTION 5  SECTION 5  Date 5-23-88  RISEN  Ris |  | i                                      |                         |                              | 11.7                                    | / \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\ \\   |
| Dugan Prod. Ls.#NM-42059  SECTION 5  SECTION 5  Jim L. Jacobs  Position Geologist  Company Dugan Production Corp.  Date 5-23-88  RISEN RISEN RISEN RISEN And Control of the same lands of the sa | ·  |  |                         |                              | Mome                                    | - / com-d-   |
| Dugan Prod. Ls.#NM-42059  SECTION 5  SECTION 5  Position Geologist Company Dugan Production Corp. Date 5-23-88  RISEAN RISEAN RISEAN RESEAN RE |  | - <del></del>                          |                         |                              | <b>— —</b> / 1/                         | lacobs   |
| Dugan Prod. Ls.#NM-42059  SECTION 5  SECTION 5  Date 5-23-88  RISEN.  RISEN.  Rise of the production Corp.  Rise of the production field of the production and the the same large of the production and the the same large.  Large of the production corp.  Date Surveyed Rise of the production field of the production of the production of the production of the production field of the production |  |  |                         |                              | <u> </u>                                | 346003   |
| Dugan Prod. Ls. #NM-42059  SECTION 5  SECTION 5  Company Dugan Production Corp.  Date 5-23-88  RISEN RISEN RISEN Rise of the second of the sec |  | ŀ                                      | <u> </u>                |                              | Geologis                                | st   |
| SECTION 5  Date 5-23-88  RISEAN  Analytic formulation and the first ame is a first and the same is a first and the first ame is a first and the same i |  | l l                                    |                         |                              |   |  |
| Date Surveyor  Date Surveyor  May 11, 1988  Hegistered Prolessional Engineer and/or Land Surveyor  Cettificate No. 5979  |  | :                                      | Ls.#NM-420              | 59                           | Dugan Pr                                | roduction Corp.  |
| Pate Surveyed  May 11, 1988  Hegistered Professional Engineer and/or Land Surveyor  Certificate No. 5979   |  | i                                      |                         |                              | Date                                    | ·  |
| Pate Surveyed  May 11, 1988  Hegistered Professional Engineer and/or Land Surveyor  Certificate No. 5979   |  | SECT                                   | ION 5                   |                              | 5-23-88                                 | •  |
| Date Surveyed  May 11, 1988  Hegistered Prolessional Engineer and/or Land Surveyor  Land Surveyor  Certificate No. 5979  | ······································                               |  |                         |                              |   | " elisten ist."  |
| Date Surveyed  May 11, 1988  Hegistered Protessional Engineer and/or Land Surveyor  Certificate No. 5979   | •  | 1                                      | • 1                     |                              | , see al                                | RISEN  |
| Date Surveyed  May 11, 1988  Hegistered Prolessional Engineer and/or Land Surveyor  Certificate No. 5979   |  | i                                      | ,                       |                              | hard of                                 | William the well location  |
| Date Surveyed  May 11, 1988  Hegistered Prolessional Engineer and/or Land Surveyor  Edga J. Masulooue  Certificate No. 5979  |  | i                                      |                         |                              | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1   | or or or spring from field   |
| Date Surveyed  May 11, 1988  Hegistered Prolessional Engineer and/or Land Surveyor  Edga J. Masulooue  Certificate No. 5979  |  | 1.                                     |                         |                              | n∰es di ec                              | Aphabate fage \$4 we et  |
| Date Surveyed  May 11, 1988  Hegistered Prolessional Engineer and/or Land Surveyor  Edgar J. Museuloone Certificate No. 5979   |  |  | نه در الروائد           | S CONTRACTOR                 |   | ervision and that he same  |
| Date Surveyed  May 11, 1988  Hegistered Prolessional Englacer and/or Land Surveyor  Edgar J. Museukooner Certificate No. 5979  |  | i C                                    |                         |                              | 2.20                                    | correct to market of my  |
| Date Surveyed  May 11, 1988  Hegistered Professional Engineer and/or Land Surveyor  Edgar J. Museukoone Certificate No. 5979   |  | -+                                     |                         |                              |   |  |
| Date Surveyed  May 11, 1988  Hegistered Professional Engineer and/or Land Surveyor  Edgar J. Museukoone Certificate No. 5979   |  |  |                         |                              | - There                                 | Manage Manage Control  |
| May 11, 1988  Hegistered Professional Engineer and/or Land Surveyor  Edgar J. Museukooner Certificate No. 5979   | iji da   |  |                         | 1                            |   | · · · · · · · · · · · · · · · · · · ·  |
| Hegistered Prolessional Engineer and/or Land Surveyor  Edgar J. Perenkooner Certificate No. 5979   | <u> </u>   |  |                         | 1                            | 1 1                                     | 1 1000   |
| and/or Land Surveyor  Edger L. Misenthooner  Certificate No. 5979  |  | . Di                                   |                         | 1                            |   |  |
| Edger L. Perenkooner   | end/or Lond Suprama  |  |                         |                              |   |  |
|  | <b>1.</b>  |  |                         |                              | 0/-                                     | PD: 1  |
|  |  | <del></del>                            |                         |                              | - Cagar                                 | d. Misenhooner   |
| see to 1370 labe 1880 2810 2840 2000 too too too TEdgar L. Risenhoover I S   | 30 400 40  | 1370 1000 1000 2                       | 310 2640 2000           |                              |   |  |

