

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## 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 87499

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

At surface 2235  
1770  
2030' FNL - 1950' FEL  
At proposed prod. zone

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

approx. 9 1/2 miles SW of Blanco Trading Post

## 15. DISTANCE FROM PROPOSED\*

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

1950'

## 16. NO. OF ACRES IN LEASE

480 2118.04

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

W/80

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.1882' from  
DPC's proposed

## 19. PROPOSED DEPTH

4695'

## 20. ROTARY OR CABLE TOOLS

Rotary

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

6565' GL 6583

DRILLING OPERATIONS AUTHORIZED ARE  
SUBJECT TO COMPLIANCE WITH ATTACHED  
"GENERAL REQUIREMENTS".

## 22. APPROX. DATE WORK WILL START\*

ASAP

## PROPOSED CASING AND CEMENTING PROGRAM

This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.3  
and appeal pursuant to 43 CFR 3165.4.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	
12-1/4"	8-5/8"	24#	200'	206 cu. ft. circ. to surface
7-7/8"	4-1/2"	10.5#	4695'	1512 cu. ft. circ. to surface

Plan to drill a 12-1/4" hole and set 200' of 8-5/8" OD, 24#, J-55 surface casing;  
then plan to drill a 7-7/8" hole to total depth with gel-water-mud program to test  
Gallup 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.

Gas is not dedicated.

RECEIVED

JUN 09 1988

OIL CON. DIV.  
DIST. 3

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 preventer program, if any.

SIGNED

Jim Jacobs

TITLE

Vice-President

DATE

4-19-88

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

DATE

JUN 17 1988

AREA MANAGER

\*See Instructions On Reverse Side

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

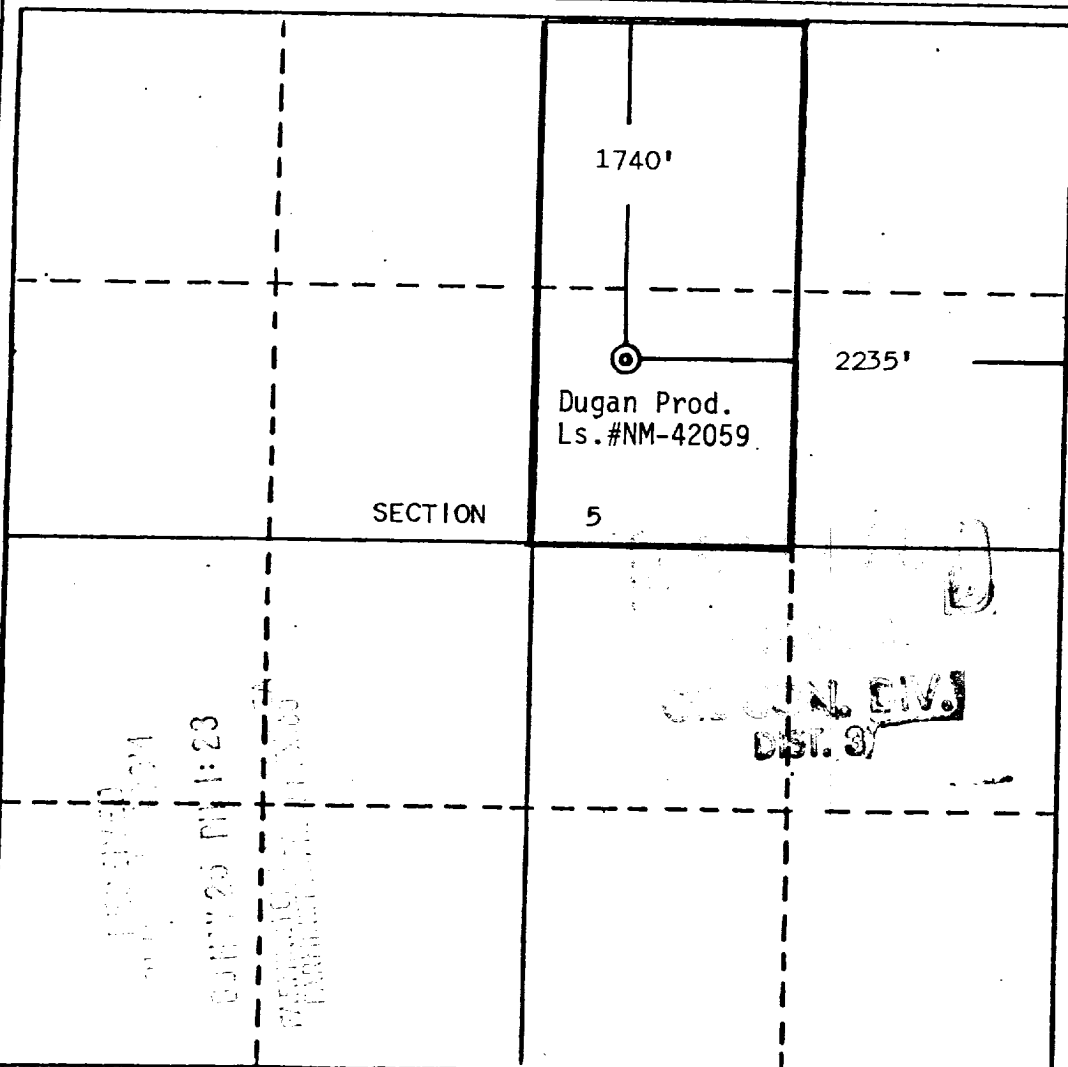
Operator Dugan Production Corporation			Lease Champ		Well No. 4
Unit Letter G	Section 5	Township 23 North	Range 10 West	County San Juan	
Actual Footage Location of Well: 1740 feet from the North line and 2235 feet from the East line					
Ground Level Elev. 6583	Producing Formation Gallup		Pool South Bisti Gallup		Dedicated Acreage: 80 Acres

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 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.

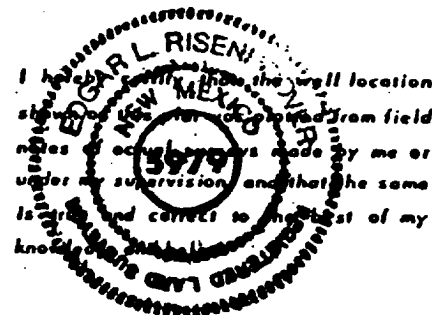


CERTIFICATION

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

Name  
Jim L. Jacobs  
Position  
Geologist  
Company  
Dugan Production Corp.

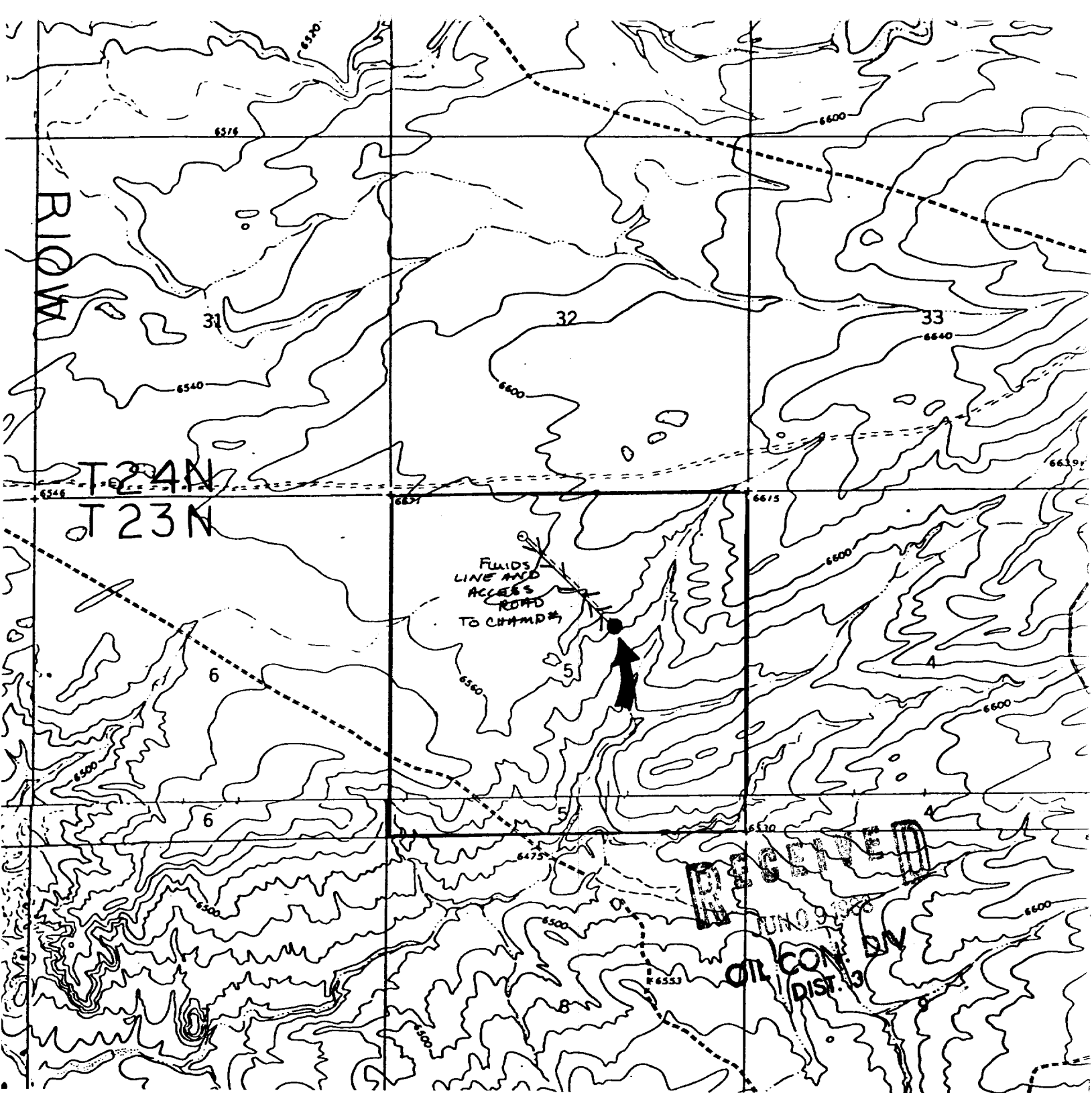
Date  
5-23-88



Date Surveyed  
May 11, 1988

Registered Professional Engineer  
and/or Land Surveyor

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



DUGAN PRODUCTION CORP. - Champ #4

Existing Roads

Exhibit E

Vicinity of nearest town or reference pt.  
approx. 9½ miles SW of Blanco Trading Post

Type of surface dirt

Conditions good

Other \_\_\_\_\_

Reference map: USGS maps: Huerfano Trading  
Post SW 1966; Pueblo Bonito NW, 1966

DUGAN PRODUCTION CORP. - Champ #4

Planned Access Road(s)

Exhibit E

Width 20' Maximum grades 1%

Drainage design as required

Cuts & Fills see diagram

Surfacing material \_\_\_\_\_

Turnouts

Culverts

Gates

Cattleguards

Fence cuts

Access road(s) (do) do not cross (Fed) Ind land