

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>				5. LEASE DESIGNATION AND SERIAL NO. NM 55836	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR 6515 DUGAN PRODUCTION CORP. ✓				7. UNIT ASSIGNMENT NAME	
3. ADDRESS AND TELEPHONE NO. P.O. Box 420, Farmington, NM 87499				8. RANCH OR LEASE NAME, WELL NO. Hendrix #1 13583	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 1190' FNL & 1830' FEL (Unit B) At proposed prod. zone				9. API WELL NO. 30-045-28931	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 6.5 miles SW of 44 Store, NM				10. FIELD AND POOL, OR WILDCAT Wildcat Chacra 96031	
19. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1450'		16. NO. OF ACRES IN LEASE 1275.54 1375.542		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. N/A		19. PROPOSED DEPTH 1500'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6740' (est) GL				22. APPROX. DATE WORK WILL START* ASAP	
23. PROPOSED CASING AND CEMENTING PROGRAM					
SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
9-7/8"	7"	20#	120'	53 cu.ft. (45 sx) circ. to surf.	
6-1/4"	4 1/2"	10.5#	1500'	336 cu.ft. (285 sx) circ. to surf.	

Plan to drill a 9-7/8" hole and set 120' of 7" OD, 20#, J-55 surface casing; then plan to drill a 6 1/4" hole to total depth with gel-water-mud program to test the Chacra 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.

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MAR 17 1993
OIL CON. DIV.
DIST 4

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MAR -9 PM 1:58
C/O FARMINGTON, NM

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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.

24. Sherman E. Dugan TITLE Vice-President DATE 3/9/93
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to the same thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature] TITLE _____ DATE MAR 12 1993
DISTRICT MANAGER

*See Instructions On Reverse Side

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-182
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

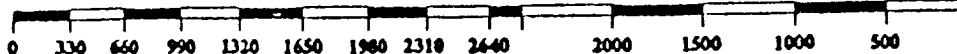
WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Dugan Production Corporation			Lease Hendrix		Well No. 9
Unit Letter B	Section 7	Township 22 North	Range 8 West	County NM	San Juan
Actual Footage Location of Well: 1190 feet from the North line and 1830 feet from the East line					
Ground level Elev. 6740 Est.	Producing Formation Chacra	Pool Wildcat; BEST CHACRA		Dedicated Acreage: 160 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest 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 interest, has been approved by the Division.

Dugan Prod. NM 55836	
1190'	1830'
Section 7	
RECEIVED MAR 17 1993 OIL CON. DIV. DIST. 3	



OPERATOR CERTIFICATION

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

Signature
Sherman E. Dugan
Position
Vice-President
Company
Dugan Production Corp.
Date
3/9/93

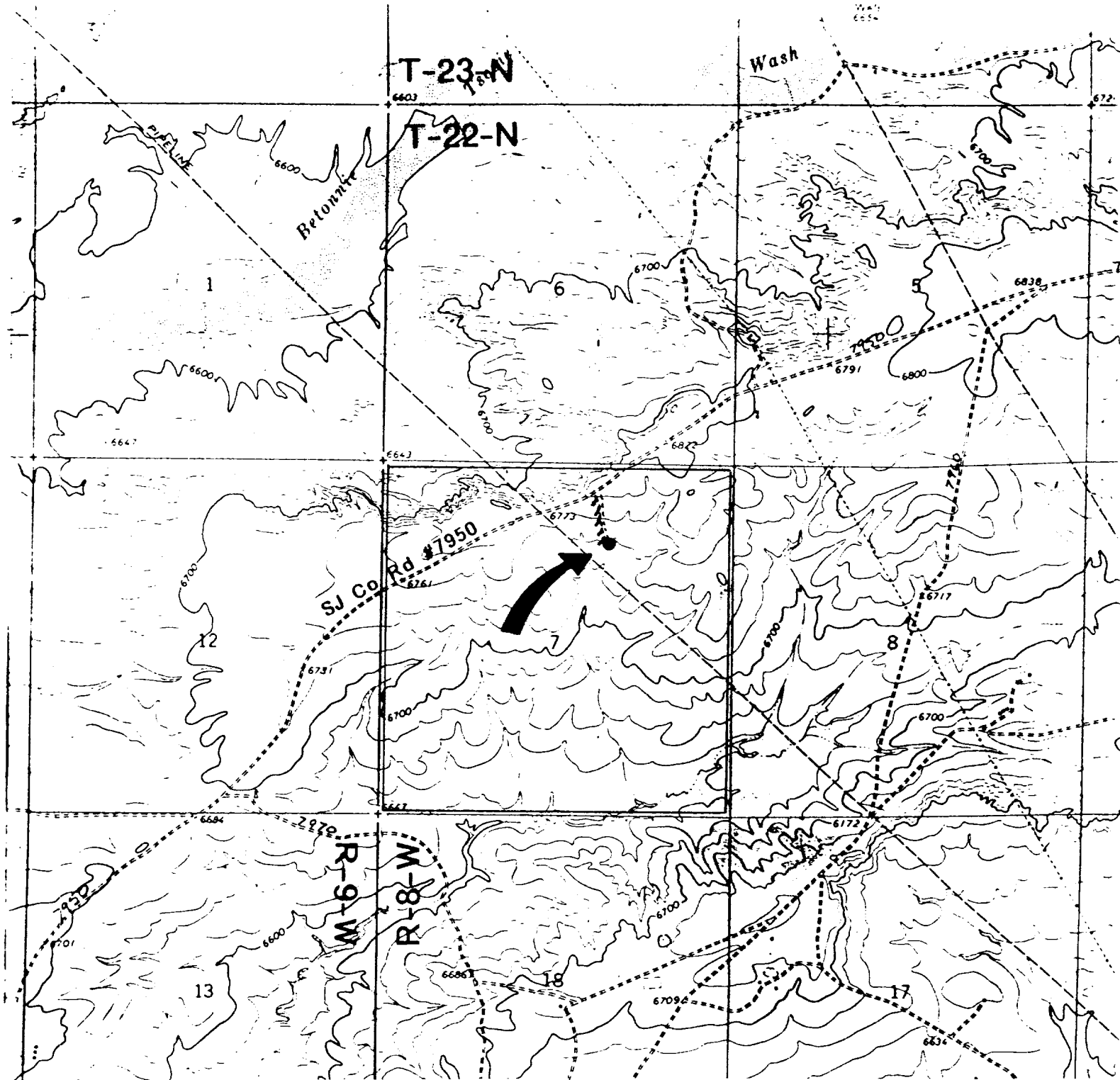
SURVEYOR CERTIFICATION

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 knowledge and belief.

Date Surveyed
February 3, 1993

Signature & Seal of
Professional Surveyor

Edgar L. Risenhoover
Certificate No. 5979
Edgar Risenhoover



EXISTING ROADS

EXHIBIT E

Vicinity of nearest town or reference pt.
approx. 6.5 miles SW of 44 Store, NM

Type of surface dirt

Conditions good

Other _____

Reference map: USGS map

Lybrook NW, NM 1966

Planned Access Road(s)

Exhibit E

Width 14' Maximum grades 3%

Drainage design as required

Cuts & Fills as required

Surfacing material none

- ☒ Turnouts
- ☒ Culverts
- ☒ Gates
- ☒ Cattleguards
- ☒ Fence cuts
- ☒ Waterbars

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