SUBMIT IN TRIPLICATE*

(Other instructions on

FORM APPROVED

OMB NO. 1004-0136

(July 1992)	UNITE	D STATES	rev	erse side)	Expires: Februa	ry 28, 1995
	DEPARTME	NT OF THE INTERI			5. LEASE DESIGNATION AND S	SERIAL NO.
	BUREAU OF	LAND MANAGEME	NT		NM 57445	
APPLICA	TION FOR PE	RMIT TO DRILL O	R DEEPEN		6, IF INDIAN, ALLOTTED OR TR	RIBE NAME
1.8. TYPE OF WORK DRILL	xx	DEEPEN			7. UNIT AGREEMENT NAME	· O o
b. TYPE OF WELL Oil Gas Well Well Well	S XX Other	SING	LE XX	MULTIPLE ZONE	8. FARM OR LEASE NAME, WE	ELL NO.
2. Name of Operator					Zappa #91	
Dugan Production Corp.					9. API Well No. 30 045-2998	7
3. Address and Telephone No. P.O. Box 420 , Farmington LOCATION OF WELL (Report location clearly and in a		(505) 325 - 1821			10. FIELD AND POOL, OR WILL Basin Fruitland	LDCAT
A surface 790' FNL & 790'					11, SEC., T., R., M., OR BLK. AND SURVEY OR AREA	
At proposed prod. zone		Unit A Sec. 27, T22N, R8W				
14. DISTANCE IN MILES AND DIRECTION FROM NEA	REST TOWN OR POST OF	FICE*		·	12. COUNTY OR PARISH	13. STATE
Approx. 9 miles southeast of	of 44 Store, NA	<i>I</i> I			San Juan	NM
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)	790'	16. NO. OF ACRES IN LEASE 2280		NO. OF ACRES ASSIGNED TO THIS WELL 320		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED,	Approx. 3722' from DPC	19. PROPOSED DEPTH	20.	ROTARY OR CABLE TOOLS ROTARY	1	

PROPOSED CASING AND CEMENTING PROGRAM

SETTING DEPTH

650

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

OR APPLIED FOR, ON THIS LEASE, FT.

SIZE OF HOLE

6648' GL

8-3/4"

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

Zappa #3

GRADES, SIZES OF CASING

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

ASAP

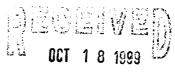
22. APPROX. DATE WORK WILL START

100 sx (118 cu. ft.) circ. to surface

QUANTITY OF CEMENT

Plan to drill a 8-3/4" hole with gel-water-mud program to the top of the Fruitland Coal and set approximately 650' of 7" OD, 23#, J-55 casing then plan to air drill open hole through the Fruitland Coal section to a depth of approximately 700'.

23#



IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposed directionally give pertinent data on subsurface location	roposal is to deepen, give data on present productive zon	DEST. 2 ne and proposed new productive zone. If proposal is to drill or ut preventer program, if any.	
24. SIGNED Sherman E. Dugan		Date 10/1/99	
(This space for Federal or State office use)	APPROVAL DATE	CG 14 188	
PERMIT NO. Application approval does not warrant or cartify that the applicant holds le CONDITIONS OF APPROVAL, IF ANY:		entitle the applicant to conduct operations thereon.	

*See Instructions on Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements representations as to any matter within its jurisdiction.

District 1 PO Box 1980, Hobbs, NM 33241-1980 District II PO Drawer DD, Artesia, NM 33211-0719 District III 1000 Rio Brazos Rd., Aztec, NM 37410 District IV

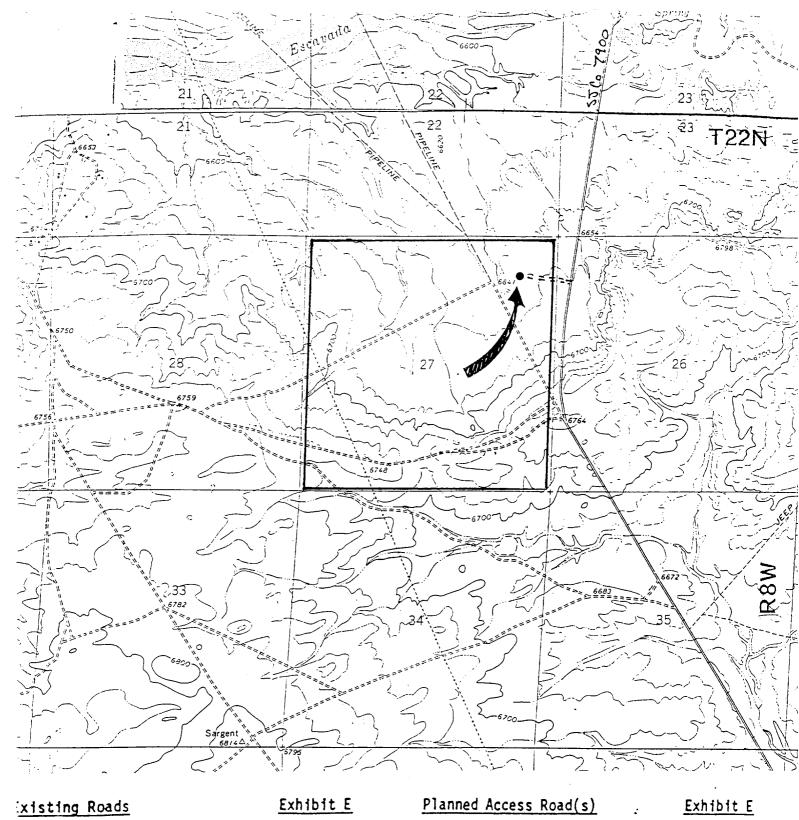
PO Box 2083, Santa Fe, NM 87504-2088

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies

		WE	ELL LC	CATIO	N AND AC	CREAGE DEDI	CATION P	L/AT	
,	API Number 1 Pool Code		c		³ Paul N	ame			
30 0	$\frac{1}{2}$	3997 71629 Basir			in Fruitla	n Fruitland Coal			
* Property	Code	' Property Name ' Well Na					* Well Number		
0133	361	1 Zappa				91			
1 OGRID	No.				•	or Name			* Élevation
0065	515		Dugan F	Production	Corporatio	n			6648'
		10 Surface Location							
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West lin	e County
A	27	2211	8W	A	790	North	790	East	San Juan
	<u> </u>		11 Bot	tom Hol	e Location	If Different Fro	om Surface	-	
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West lin	e County
								<u> </u>	
12 Dedicated Acr	es 13 Joint	or Infill 14 (Consolidatio	n Code 15 O	rder No.				
320									
NO ALLOV	VABLE V	WILL BE A	SSIGNE	D ТО ТНІ	S COMPLET	ION UNTIL ALL	INTERESTS H	AVE BEEN	CONSOLIDATED
	<u> </u>	OR A	NON-STA	ANDARD	UNIT HAS E	BEEN APPROVED	BY THE DIV	ISION	
16		a Mauriki siyoga Quillilijiliya karibi Dad	Paulta Chairle Chair				111		ERTIFICATION
						790'			ation contained herein is of my knowledge and belief
Dugan Production 1 130 III									
		NM 57445)			(a) - 790'/	4 /		
									41.
-							1/100	may F	Sugges -
4	1						Signature		
							Shermar Printed Name	r E. Buga	n/[
1	1						7 H	: resident	V
						Title	ESTUEIT		
							10.1.	99	
			eation	27			Date		
					- "		18SURV	EYOR CE	RTIFICATION
						the second free	I hereby certify	y that the well loc	cation shown on this plat
	ļ				3				actual surveys made by me hat the same is true and
							(1	pervision, and ir best of my belief.	
					net 18	1999	Sept	ember 2 411 1	igg _{io.}
					CCI IO	- PM	Date of Survey	- 4/1111	ENHOLL
				 	ল ৫জিমি	19 1D/11/10	Signature and	Self OPP TOTE SHA	BAI SULVOYSE
					T COOL		1	<u>```</u> `````````````````````````````````	
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								mber state of the	MAL SURMINE
							5979	·//////////	min, in
					•	l .	Certificate Nur	nocr	1



Existing Roads	Exhibit E
:icinity of neare: Approx. 9 miles S o	st town or reference pt. of 44 Store, NM
Type of surface	dirt
Conditions	good
ther	
Reference map: USGS	map Fire Rock Well, NM
DUGAN PRODUCTION	CORP ZAPPA #917

Planned Access Ko	$\frac{\text{bad}(s)}{s}$. Exhibit E
Width 25'	Maximum grades <u>1%</u>
Drainage design	as required
Cuts & Fills	as required
Surfacing materia	none
→ Turnouts □□Culverts □□Gates	\(\text{Waterbars}
Cattleguards Fence cuts	Access Road & Pipeline
Access road(s) do	do not cross Fed/Ind land.