

dugan production corp.

6-30-82

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

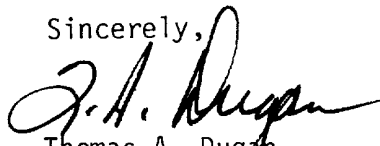
Re: DUGAN PRODUCTION CORP.
Slickhorn Gulch #2
990' FSL - 790' FWL
Sec 8 T24N R7W
Rio Arriba County, NM

Gentlemen:

This is to certify that deviation tests were run on the captioned well
and the following is a true report of those tests:

3/4° at 223'	1-1/2° at 3225'	1° at 5529'
1 at 743	1 at 3454	1° at 6012
1 at 1244	1 at 3912	1° at 6513
1-1/4 at 1744	1-1/2 at 4130	1-1/4 at 6808
1-3/4 at 2155	1-1/2 at 4703	3/4 at 7254
1-1/2 at 2723	3/4 at 5047	

Sincerely,


Thomas A. Dugan
Petroleum Engineer



State of New Mexico)
County of San Juan) ss

Subscribed and sworn to before me this 30th day of June 19 82.





OFFICIAL SEAL
FRANCES PERRIN
NOTARY PUBLIC - NEW MEXICO
Notary Bond filed with Secretary of State
My Commission Expires 5-15-85

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

Operator Dugan Production Corporation		Lease Slickhorn Gulch		Well No. 2	
Init Letter M	Section 8	Township 24 North	Range 7 West	County Rio Arriba	Survey N. M.
Actual Footage Location of Well: 990 feet from the South line and 790 feet from the West line					
Ground Level Elev. 7272	Producing Formation Gallup	Pool Escrito Gallup Ext.	Dedicated Acreage: 80 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.

Sec. 8	
<p>RECEIVED JUL 7 1982 OIL CON. COM. DIST. 3</p> <p>ACCEPTED FOR RECORD JUL 7 1982 RV 544</p> <p>NMOCC</p>	

CERTIFICATION

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

Thomas A. Dugan

Name

Thomas A. Dugan

Position

Petroleum Engineer

Company

Dugan Production Corp.

Date

6-30-82

I hereby certify that the well location shown on this plat was located from field notes of a survey 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

March 4, 1982

Registered Professional Engineer and/or Land Surveyor

Edgar L. Risenhoover

Certificate No. 5979

Edgar L. Risenhoover, L.S.

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE*

(See other in-
structions on
reverse side)Form approved.
Budget Bureau No. 42-R355.5.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL:		OIL WELL <input checked="" type="checkbox"/>	GAS WELL <input type="checkbox"/>	DRY <input type="checkbox"/>	Other _____		
b. TYPE OF COMPLETION:		NEW WELL <input checked="" type="checkbox"/>	WORK OVER <input type="checkbox"/>	DEEP-EN <input type="checkbox"/>	PLUG BACK <input type="checkbox"/>	DIFF. RESVR. <input type="checkbox"/>	Other _____
2. NAME OF OPERATOR DUGAN PRODUCTION CORP.						5. LEASE DESIGNATION AND SERIAL NO. NM 25427	
3. ADDRESS OF OPERATOR P O Box 208, Farmington, NM 87401						6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface 990' FSL - 790' FWL At top prod. interval reported below At total depth						7. UNIT AGREEMENT NAME	
14. PERMIT NO.						13. STATE NM	
DATE ISSUED 4-20-82						8. FARM OR LEASE NAME Slickhorn Gulch	
15. DATE SPUDDED 4-20-82						9. WELL NO. 2	
16. DATE T.D. REACHED 5-5-82						10. FIELD AND POOL, OR WILDCAT Escrito Gallup Ext.	
17. DATE COMPL. (Ready to prod.) 6-30-82						11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA Sec 8 T24N R7W	
18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* 7272' GL; 7284' RKB						12. COUNTY OR PARISH Rio Arriba	
19. ELEV. CASINGHEAD 7272'						20. TOTAL DEPTH, MD & TVD 7320'	
21. PLUG, BACK T.D., MD & TVD 6950'						22. IF MULTIPLE COMPL., HOW MANY* single	
23. INTERVALS DRILLED BY → TD						24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)* 5998-6380', Gallup	
25. WAS DIRECTIONAL SURVEY MADE NO						26. TYPE ELECTRIC AND OTHER LOGS RUN IES, CDL, GR-CCL	
27. WAS WELL CORED NO						28. CASING RECORD (Report all strings set in well)	
CASING SIZE		WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED	
9-5/8"	53.50	208' RKB	12 1/4"	136 cu.ft. class B + 2% CaCl	---		
4 1/2"	11.6 & 10.5	7320' RKB	7-7/8"	See reverse	---		
29. LINER RECORD				30. TUBING RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
None					1 1/2"	6350' RKB	
31. PERFORATION RECORD (Interval, size and number) 6370-80 (5 holes), 6358-66 (4 holes), 6196-6208 (12 holes), 6168-82 (7 holes), 6088-6102 (7 holes), 6058-70 (6 holes), 5998-6008 (5 holes). Total 46 holes Also see reverse.				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. DEPTH INTERVAL (MD) 5998-6380 500 gal 15% HCL, 62,170 gal slick water, 70,000# 20-40 sd, 175E FR-2, 70 gal Aquaflo, Also see reverse.			
33.* PRODUCTION				WELL STATUS (Producing or shut-in) producing			
DATE FIRST PRODUCTION 6-30-82		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) swabbing		DATE OF TEST 6-30-82		HOURS TESTED 24	
CHOKE SIZE NA		PROD'N. FOR TEST PERIOD →		OIL—BBL. 28.8		GAS—MCF. TSTM	
FLOW, TUBING PRESS. Zero		CASING PRESSURE 80 psi		WATER—BBL. Zero		GAS-OIL RATIO 38	
34. DISPOSITION OF GAS (Solid, used for fuel, vented, etc.) Vented during test				TEST WITNESSED BY Anderson			
35. LIST OF ATTACHMENTS				36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records			
SIGNED Thomas A. Dugan				TITLE Petroleum Engineer			
DATE 6-30-82				DATE 6-30-82			

*(See Instructions and Spaces for Additional Data on Reverse Side)

NMOCC

E. A. Beck

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. **Items 22 and 24:** If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool. **Item 33:** Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES: SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES		38. GEOLOGIC MARKERS	
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
			<p>Cement for 4½" csg.:</p> <p>1st stage 150 sx class B + 8% gel & ¼# flocele/sk and 150 sx class B w/ ¼# flocele/sk (465 cu.ft.) DV tool at 5295'</p> <p>2nd stage 250 sx 65-35 + 12% gel & ¼# flocele/sk and 50 sx class B w/ ¼# flocele/sk/ Stage tool at 2840' (789 cu.ft.)</p> <p>3rd stage 325 sx 65-35 + 12% gel & ¼# flocele/sk and 50 sx class B w/ ¼# flocele/sk (1008 cu.ft.)</p> <p>Perforations: out of zone 7126-32 (6 holes) in zone 7178-84 (6 holes), 7226-32 (6 holes), 7235-45 (10 holes). Total 28 holes. Treated with 500 gal 15% HCL, 72,500 gal Mini-Max III-30, 75,000# 20-40 sand; 10,000# 10-20 sand; 105# B-5 breakers; 40 bbl condensate; 73 gal Aquaflo</p>
			<p>NAME</p> <p>Ojo Alamo</p> <p>Kirtland</p> <p>Pictured Cliffs</p> <p>Lewis</p> <p>Cliff House</p> <p>Menefee</p> <p>Point Lookout</p> <p>Mancos</p> <p>Gallup</p> <p>Greenhorn</p> <p>Graneros</p> <p>Dakota</p>
			<p>MEAS. DEPTH</p> <p>1938'</p> <p>2140</p> <p>2633</p> <p>2717</p> <p>4162</p> <p>4226</p> <p>4922</p> <p>5157</p> <p>5983</p> <p>6318</p> <p>6968</p> <p>7080</p>
			<p>TRUE VERT. DEPTH</p>

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 Slickhorn Gulch			Well No. 2		
Init Letter M	Section 8	Township 24 North	Range 7 West	County Ripon	JUL 19 1982 OIL CON. DIV. DIST. 3 West			
Actual Footage Location of Well: 990 feet from the South line and 790 feet from the line								
Ground Level Elev. 7272	Producing Formation Gallup		Pool Escrito Gallup Ext.			Dedicated Acreage: 80 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

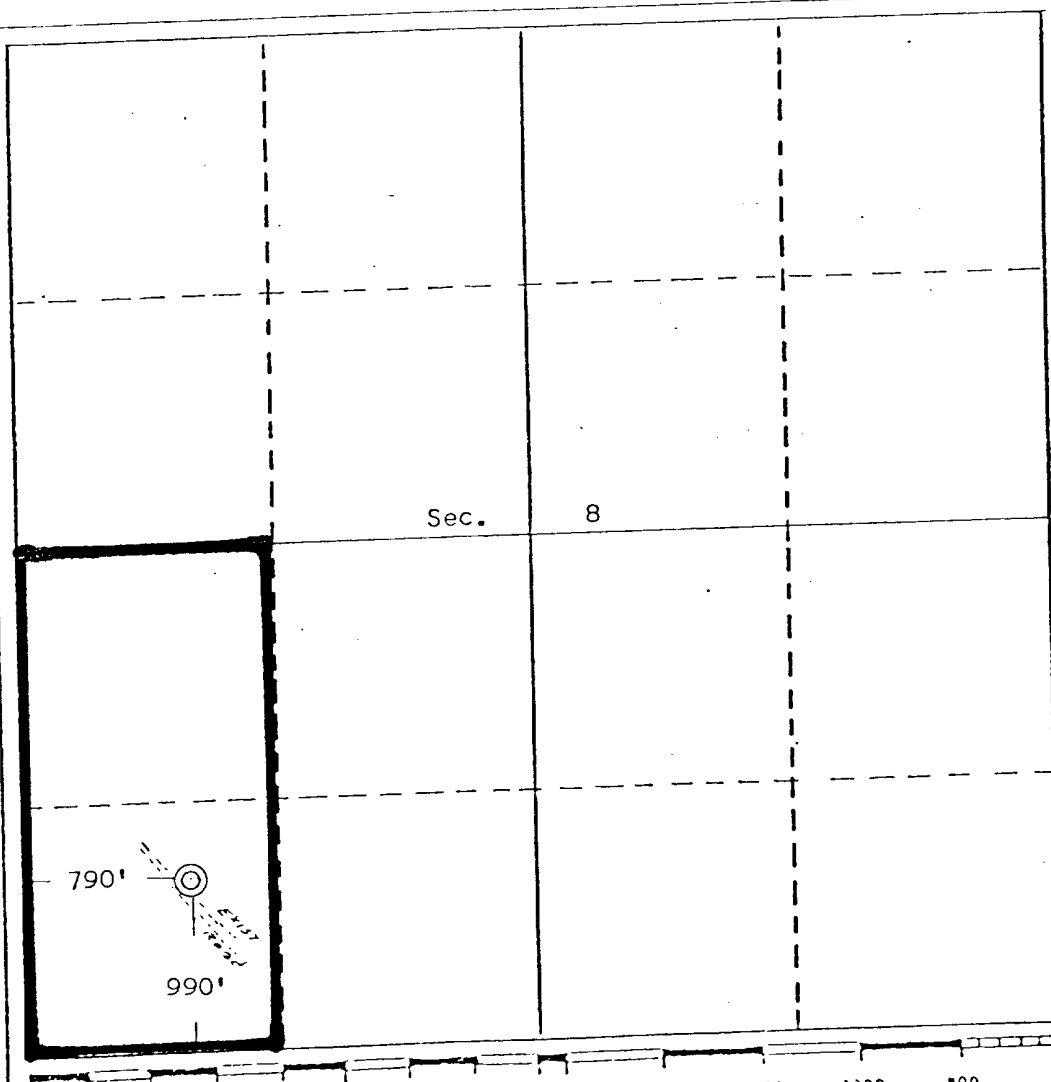
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

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

Thomas A. Dugan

Position

Petroleum Engineer

Company

Dugan Production Corp.

Date

6-30-82

I hereby certify that the well location shown on this plat was located from field notes of a survey 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

March 4, 1982

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover

Certificate No. 5979

Edgar L. Risenhoover, L.S.

5 MMS, Fmn 1 So Un Expl

1 File

Form Approved.
Budget Bureau No. 42-R1424

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil ☒ well gas ☐ well other ☐
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. See space 17 below.)
890' FSL - 790' FWL
AT SURFACE:
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO: SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF ☐ ☐
FRACTURE TREAT ☐ ☐
SHOOT OR ACIDIZE ☐ ☐
REPAIR WELL ☐ ☐
PULL OR ALTER CASING ☐ ☐
MULTIPLE COMPLETE ☐ ☐
CHANGE ZONES ☐ ☐
ABANDON* ☐ ☐
(other) ☐ XX Replace tubing

5. LEASE
NM 25427
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
7. UNIT AGREEMENT NAME
8. FARM OR LEASE NAME
Slickhorn Gulch
9. WELL NO.
2
10. FIELD OR WILDCAT NAME
Escrito Gallup Ext.
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Sec 8 T24N R7W
12. COUNTY OR PARISH
Rio Arriba NM
13. STATE
NM
14. API NO.
15. ELEVATIONS (SHOW DF, KDB, AND WD)
7272' GL

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

JUL 26 1982
U. S. GEOLOGICAL SURVEY
FARMINGTON, N. M.

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

7-17-82 Tbg. pressure 320 psi; casing pressure 640 psi. Took 2 hours to blow well down. Rig up MTK Rig #2. N.D. well head. N.U. BOP. Start out of hole w/ 1 1/2" tubing. Laid down 100 jts. Left well open to tank.

7-19-82 Laid down remainder of 1 1/2" tubing. Ran 208 jts. 2-3/8" O.D., 4.7#, J-55, 8R, EUE, seamless API tubing. T.E. 6396.83 set at 6407' RKB, with Baker anchor catcher at 5935'.

Subsurface Safety Valve: Marked and Type _____

Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct

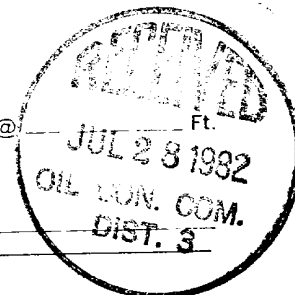
SIGNED Thomas A. Dugan TITLE Petroleum Engineer DATE 7-23-82

ACCEPTED FOR RECORD (Space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL IF ANY: JUL 27 1982

BY FARMINGTON DISTRICT

*See Instructions on Reverse Side



dugan production corp.

March 16, 1983

Bureau of Land Management
Attn: District Supervisor
P. O. Drawer 600
Farmington, New Mexico 87499

Re: Application to Vent Casinghead Gas
Dugan Production Corp.
Slickhorn Gulch Well No. 2
Lease No. NM 25427
SW/4 SW/4, Sec. 8, T24N, R7W, NMPM
Escrito Gallup Field
Rio Arriba County, New Mexico

RECEIVED

MAR 17 1983

U. S. GEOLOGICAL SURVEY
FARMINGTON, N. M.

RECEIVED

MAR 21 1983

OIL CON. DIV.
DIST. 3

Gentlemen:

We are hereby making application to vent approximately 17 MCFD of casing-head gas from the captioned well. The Slickhorn Gulch #2 was completed on June 30, 1982 with an initial potential of 28.8 BOPD plus 0.0 BWPD plus gas volumes TSTM. The initial potential was based upon a swab test during the completion process. A pump and rods were installed July 19, 1982, and a total of 894 barrels of oil was produced during 6 months of 1982 with an overall average gas-oil ratio of 3000.

Attached for your consideration is the most recent Gas-Oil Ratio Test (N. M. Form No. C-116) which reflects a 24-hour production test taken on November 10, 1982, during which time a total of 3.36 BO, 2.00 BW, and 21.8 MCF of gas (GOR = 6488) was produced, of which approximately 5.0 MCFD is utilized on the lease to fuel the 14 horsepower motor and the heater treater.

The well is located approximately 1700' from a pipeline operated by El Paso Natural Gas. The gas reserves for the Slickhorn Gulch #2 have not been dedicated and negotiations to date with EPNG have not been encouraging with regard to obtaining a pipeline connection. We have also been negotiating with Northwest Pipeline since August, 1982, attempting to make arrangements for a pipeline connection. We are optimistic that in the near future we will have a gas contract with Northwest Pipeline and a transportation deal with El Paso. However, in the interim we request permission to vent a minor amount of casing-head gas not utilized on the lease.

In view of the current gas market and the lack of interest on behalf of El Paso Natural Gas in making new contracts, we request approval to vent casing-

NMCD

Bureau of Land Management
March 16, 1983
Page 2

head gas (currently 17 MCFD) for a one year period, in order to allow additional time to obtain a pipeline connection.

Sincerely,

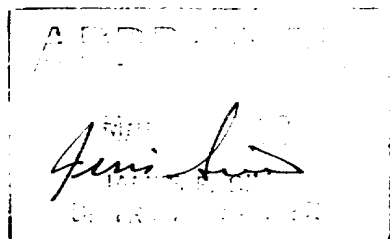
John D. Roe

John D. Roe

JDR:mba

Attachment

*Approved not to exceed 1 year and not
to exceed 10 MCF/month.*



NO. OF COPIES RECEIVED		
DISTRIBUTION		
SANTA FE		
FILE		
U.S.G.S.		
LAND OFFICE		
TRANSPORTER	OIL	
	GAS	
OPERATOR		
PRORATION OFFICE		

4-11MOCC

1-So. Union Exp.

1-Permian

1-File

NEW MEXICO OIL CONSERVATION COMMISSION

REQUEST FOR ALLOWABLE

AND

AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104

Supersedes Old C-104 and C-110

Effective 1-1-65

Operator DUGAN PRODUCTION CORP.	
Address P. O. BOX 208, FARMINGTON, NM 87499	
Reason(s) for filing (Check proper box)	Other (Please explain)
New Well <input type="checkbox"/>	Change in Transporter of:
Recompletion <input type="checkbox"/>	Oil <input checked="" type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Ownership <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>
EFFECTIVE 10/1/83	

If change of ownership give name
and address of previous owner _____

II. DESCRIPTION OF WELL AND LEASE

Lease Name Slickhorn Gulch	Well No. 2	Pool Name, including Formation Excrito Gallup Ext.	Kind of Lease State, Federal or Fee Federal	Lease No. NM 25427
Location Unit Letter <u>M</u> : <u>990</u> Feet From The <u>South</u> Line and <u>790</u> Feet From The <u>West</u> Line of Section <u>8</u> Township <u>24N</u> Range <u>7W</u> , NMPM, <u>Rio Arriba</u> County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> Permian	Address (Give address to which approved copy of this form is to be sent) P. O. Box 1702, Farmington, NM 87499	
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)	
If well produces oil or liquids, give location of tanks.	Unit M	Sec. 8
	Twp. 24N	Rge. 7W
	Is gas actually connected?	When
	No	

If this production is commingled with that from any other lease or pool, give commingling order number: _____

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
Date Spudded	Date Compl. Ready to Prod.		Total Depth		P.B.T.D.			
Elevations (DF, RKB, RT, GR, etc.)	Name of Producing Formation		Top Oil/Gas Pay		Tubing Depth			
Perforations					Depth Casing Shoe			
TUBING, CASING, AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			

V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL

(Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

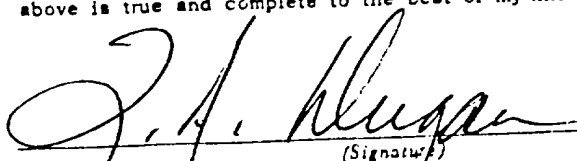
Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pitot, back pr.)	Tubing Pressure (shut-in)	Casing Pressure (shut-in)	Choke Size

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.


(Signature)
Tom A. Dugan, President
(Title)

September 19, 1983

OIL CONSERVATION COMMISSION

SEP 26 1983

APPROVED _____, 19____

BY Original Signed by FRANK T. CHAVEZ

TITLE _____

This form is to be filed in compliance with RULE 1104.
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, transporter, or other such change of ownership.