

SUBMIT IN TRIPLICATE*
(Other instructions on
reverse side)Form approved.
Budget Bureau No. 42-R1425.UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>				5. LEASE DESIGNATION AND SERIAL NO. NM 36474	
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 DUGAN PRODUCTION CORP.				7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P O Box 208, Farmington, NM 87499				8. FARM OR LEASE NAME Muddy Mudda	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface 790' FNL - 1040' FWL At proposed prod. zone				9. WELL NO. 1	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 4 mi. south of Blanco Trading Post				10. FIELD AND POOL, OR WILDCAT Basin Dakota	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 790' FNL				11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA D Sec. 21 T24N R9W, NMPM	
16. NO. OF ACRES IN LEASE 320				12. COUNTY OR PARISH San Juan	
17. NO. OF ACRES ASSIGNED TO THIS WELL N/320				13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1/2 mile DPC Holly #1				19. PROPOSED DEPTH 6480'	
20. ROTARY OR CABLE TOOLS rotary				21. APPROX. DATE WORK WILL START* ASAP	
22. ELEVATIONS (Show whether DF, RT, GR, etc.) 6898' GL				23. DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS" AND CEMENTING PROGRAM	
24. 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.				This action is subject to administrative appeal pursuant to 30 CFR 290.	
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
12-1/4"	8-5/8"	24#	200'	147 cf circulated to surface	
7-7/8"	4-1/2"	10.5#	6480'	1768 cf	

Plan to drill a 12-1/4" hole to set 200' of surface casing; then plan to drill 7-7/8" hole to total depth with gel-water-mud program to test the Dakota formation. Plan to run IES and CDL logs. If deemed productive, will run 4-1/2" casing, selectively perforate, frac, clean out after frac, and complete well.

GAS IS NOT DEDICATED.

RECEIVED

MAR 19 1984

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.

24.

SIGNED

Sherman E. Dugan

TITLE

Geologist

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

ok

APPROVED

AS AMENDED

MAR 16 1984

AREA MANAGER
FARMINGTON RESOURCE AREA*See Instructions On Reverse Side
NMOC

APPROVED

FOR THE

BOARD OF

EDUCATION

STATE OF TEXAS

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

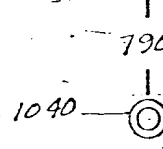
Operator Dugan Production Corporation			Lease Muddy Mudda		Well No. 1
Inst Letter D	Section 21	Township 24 North	Range 9 West	County San Juan	
Actual Postage Location of Well: 790 feet from the North line and 1040 feet from the West line					
Ground Level Elev. 6898	Producing Formation Dakota		Pool Basin Dakota		Dedicated Acreage: 320 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.

		<p align="center">RECEIVED FEB 17 1984 BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA</p>	
<p>Lease No. NM 36474 100% Dugan Production Corp.</p>			
<p align="right">Sec. 21</p>			
		<p align="center">RECEIVED MAR 19 1984 OIL CON. DIV. DIST. 3</p>	

CERTIFICATION

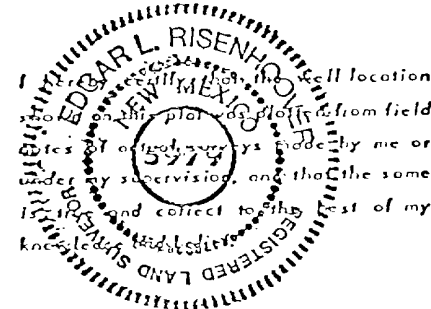
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Sherman E. Dugan
Name
Sherman E. Dugan

Position
Geologist

Company
Dugan Production Corp.

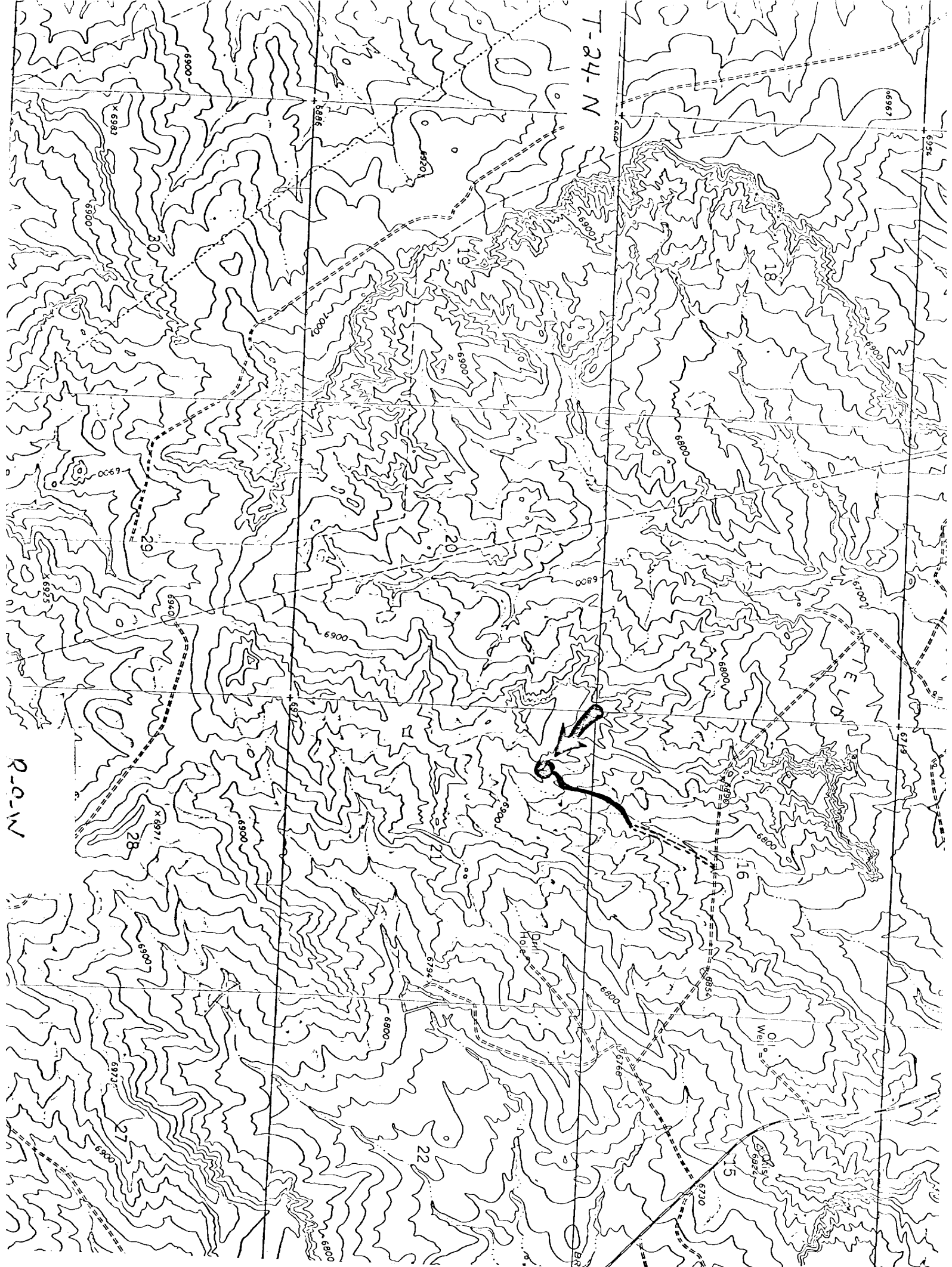
Date
2-13-84



Date Surveyed
February 6, 1984

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoof
Certificate No. 5979



DUGAN PRODUCTION CORP. - Muddy Mudda #1
Existing Roads ===== Exhibit E

Distance from nearest town or reference pt.
Brethren of Christ Mission - 2½ miles North

Type of surface dirt

Conditions good

Other

DUGAN PRODUCTION CORP. - Muddy Mudda #1
Planned Access Road(s) ----- Exhibit E

Width 20' Maximum grades 1%

Drainage design None required

Cuts & Fills None required

Surfacing material on site

Turnouts

Culverts

Gates

Cattleguards

Fence cuts