

6 BLM 1 File
UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN TRIPPLICATE
 (Other instructions on reverse side)
 Budget Bureau No. 42-11425

30-075-26530

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 1060' FNL - 1030' FEL
 At proposed prod. zone 990' 990'

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5. LEASE DESIGNATION AND SERIAL NO.
 NM 45208
 6. IF INDIAN, ALLOTTEE OR TRIBE NAME
 7. UNIT AGREEMENT NAME
 8. FARM OR LEASE NAME
 Ivy League
 9. WELL NO.
 10. FIELD AND POOL, OR WILDCAT
 Undesignated Gallup
 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
 Sec 17, T24N, R9W, NMPM
 12. COUNTY OR PARISH 13. STATE
 San Juan NM

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
 3 miles south of Blanco Trading Post

16. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 1030'
 16. NO. OF ACRES IN LEASE 320
 17. NO. OF ACRES ASSIGNED TO THIS WELL N/A 80

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED OR APPLIED FOR, ON THIS LEASE, FT. approx. 1400' to So. Un. Bolack #125
 19. PROPOSED DEPTH 5520'
 20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc) 6735' GL; 6747' RKB
 DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS" PROPOSED CASING AND CEMENTING PROGRAM

22. APPROX. DATE WORK WILL START* ASAP
 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	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	200'	150 cf circ. to surface
7-7/8"	4-1/2"	10.5#	5520'	1436 cf 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 the Gallup formation. Plan to run IES and CDL logs. If deemed 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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 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 DATE 8-6-85
 Sherman E. Dugan

(This space for Federal or State office use)
 PERMIT NO. APPROVAL DATE

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:
APPROVED AS AMENDED

*See Instructions On Reverse Side

NMOCC

SEP 06 1985
 /s/ J. Stan McKee
 M. MILLENBACH
 AREA MANAGER

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088
SANTA FE, NEW MEXICO 87501

Form C-102
Revised 10-1-78

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

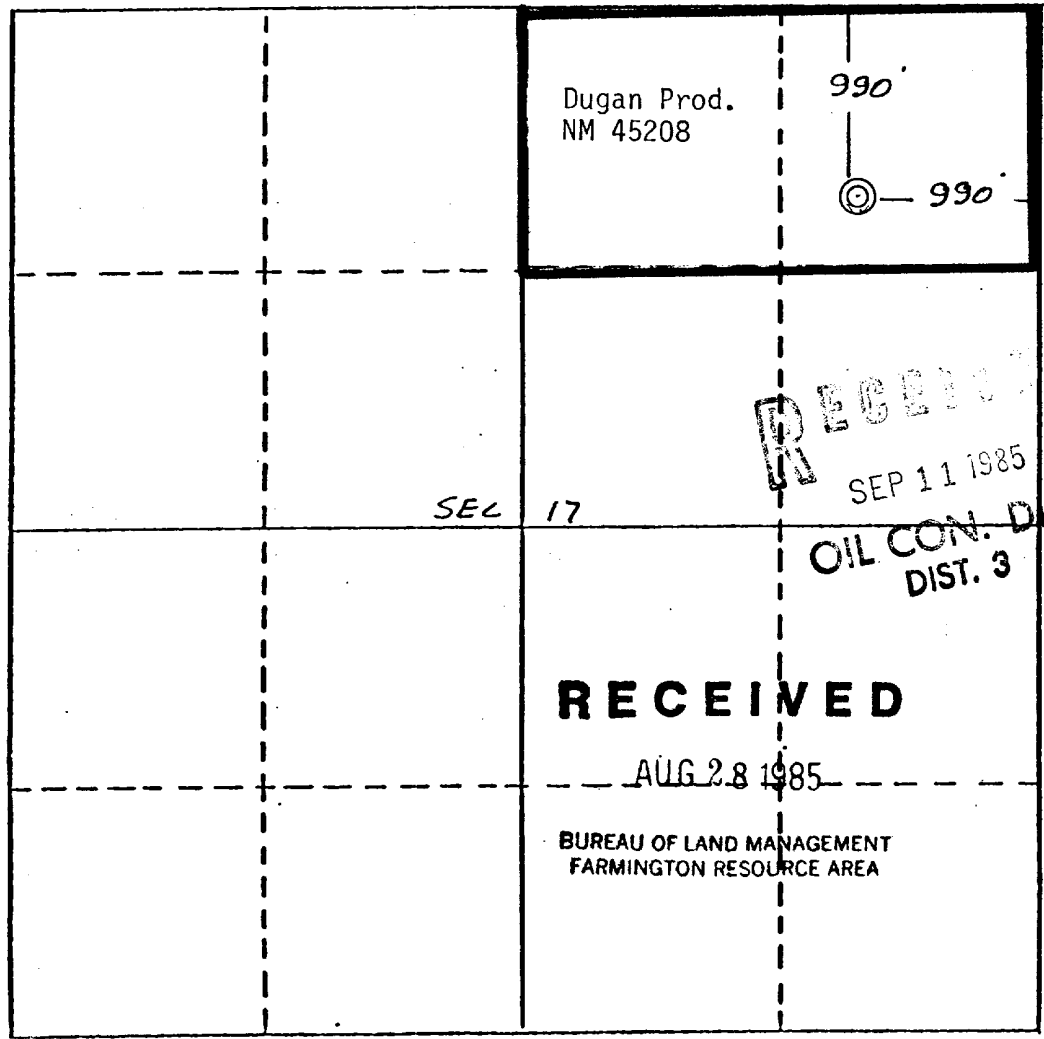
Operator Dugan Production Corporation		Lease Ivy League			Well No. 1
Unit Letter A	Section 17	Township 24 North	Range 9 West	County San Juan	
Actual Footage Location of Wells: 990 feet from the North line and 990 feet from the East line					
Ground Level Elev. 6734	Producing Formation Gallup	Pool Bisti Lower 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.

Sherman E. Dugan

Name
Sherman E. Dugan

Position
Geologist

Company
Dugan Production Corp.

Date
8-27-85

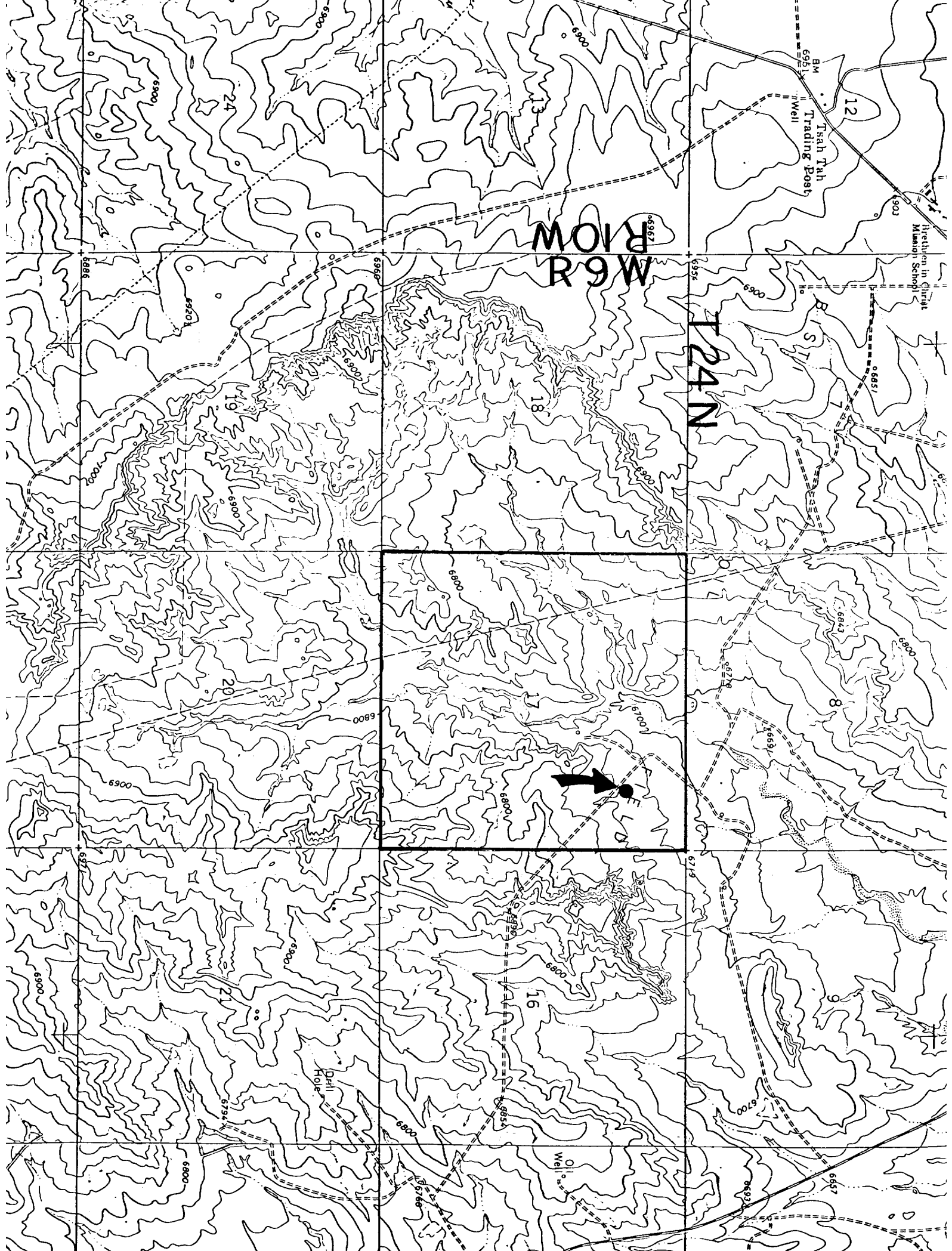
I hereby certify that the location shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
August 26, 1985

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhover

Certificate No. 5979



DUGAN PRODUCTION CORP. - Ivy League #1
 Existing Roads ==== Exhibit E

Distance from nearest town or reference pt.
 3 miles south of Blanco Trading Post

Type of surface dirt
 Conditions good
 Other _____

DUGAN PRODUCTION CORP. - Ivy League #1
 Planned Access Road(s) _____ Exhibit E

Width _____ Maximum grades _____
 Drainage design _____
 Cuts & Fills _____
 Surfacing material _____
 Turnouts _____
 Culverts _____
 Gates _____
 Cattleguards _____
 Fence cuts _____

**NO ACCESS ROAD
 REQUIRED**