

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

~~APPLICATION FOR PERMIT TO DRILL OR DEEPEN~~

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☒

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

DUGAN PRODUCTION CORP.

3. ADDRESS AND TELEPHONE NO.

P.O. Box 420, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface

460' FSL & 800' FWL

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

approx. 8 1/2 miles SW of Blanco Trading Post

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

460'

16. NO. OF ACRES IN LEASE

1594.40

17. NO. OF ACRES ASSIGNED
TO THIS WELL

80

18. DISTANCE FROM PROPOSED LOCATION* approx. 1925'
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. from DPC's

19. PROPOSED DEPTH

4670

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, or KB)

6558' GL; 6570' KB

22. APPROX. DATE WORK WILL START*
ASAP

23.

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12-1/4"	8-5/8"	24#	200'	159 cf circ. to surface
7-7/8"	4-1/2"	10.5#	4670'	1474 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 determined productive, will run 4-1/2", 10.5#, J-55 casing with stage tool, selectively perforate, frac, clean out after frac and complete well.

Note: ~~Original APD expired.~~ Resubmitting for reapproval with additional BOP and cementing information attached.

RECEIVED

MAR 3 1993

OIL CON. DIV

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.

SIGNED

TITLE Vice-President

DATE 2/3/93

(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 conduct operations thereunder.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED
AS AMENDED

FEB 26 1993

AREA MANAGER

Send 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

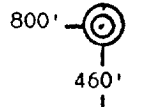
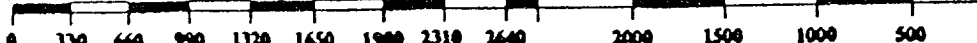
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

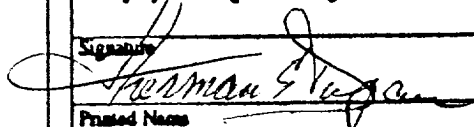
All Distances must be from the outer boundaries of the section

Operator Dugan Production Corporation			Lease Gold Medal		Well No. 7
Unit Letter M	Section 31	Township 24 North	Range 10 WEST	County San Juan	
Actual Footage Location of Well: 460 feet from the South line and 800 feet from the West line					
Ground level Elev. 6558	Producing Formation Gallup		Pool South Bisti Gallup		Dedicated Acreage: 80 Acres
<p>1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.</p> <p>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).</p> <p>3. 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.? <input type="checkbox"/> Yes <input type="checkbox"/> No If answer is "yes" type of consolidation _____</p> <p>If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____</p> <p>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.</p>					

Section 31			
RECEIVED MAR 3 1993 OIL CON. DIV. DIST. 31			
DPC Ls. #NM 22044			
			
			

OPERATOR CERTIFICATION


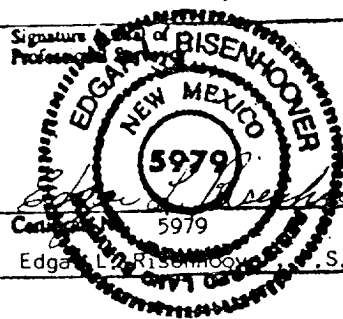
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

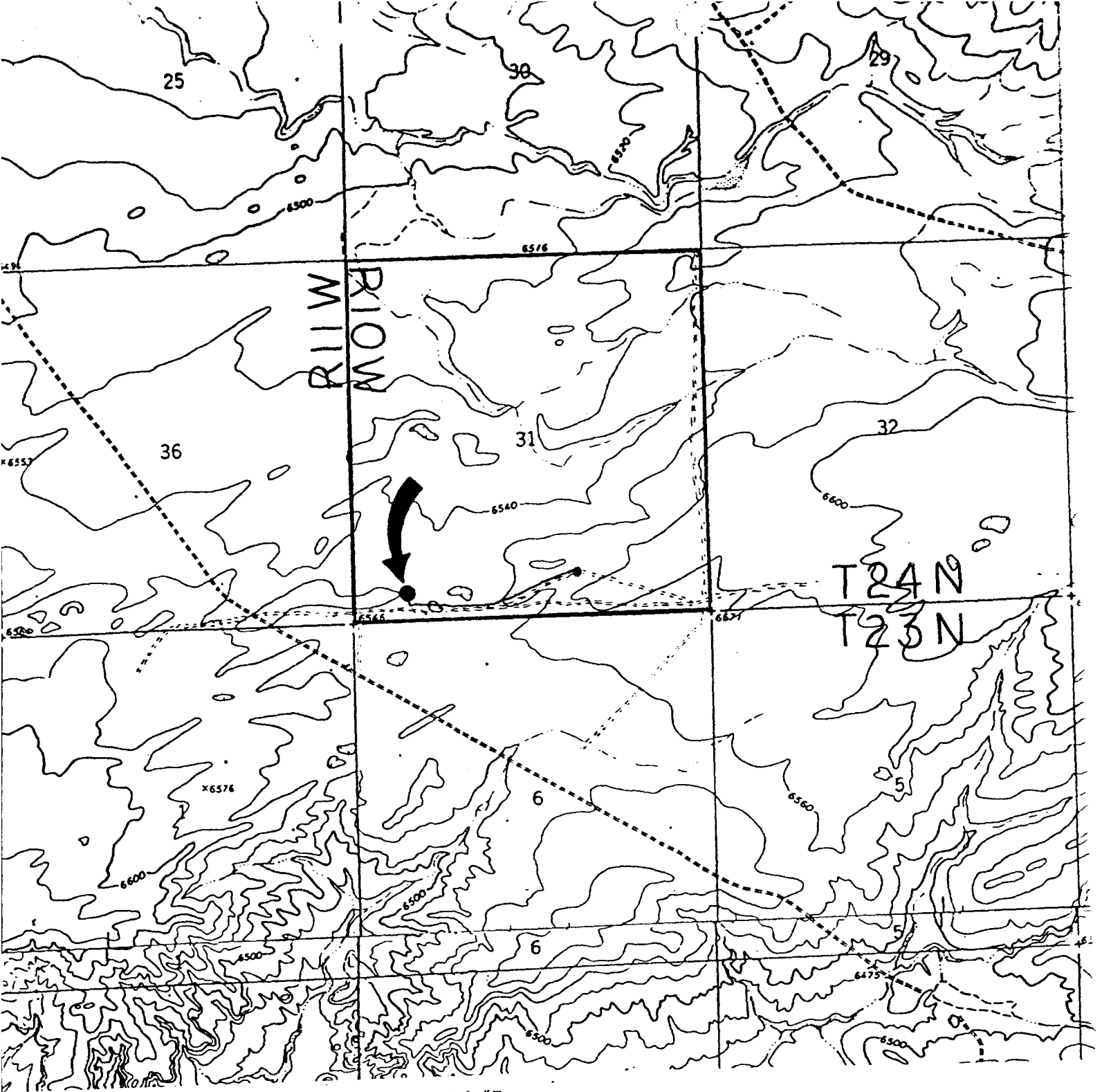
Signature

Printed Name
Sherman E. Dugan
Position
Vice President
Company
Dugan Production Corp.
Date
2-3-93

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 22, 1990

Signature

Professional Seal

Edgard L. Risenhoover, S.



DUGAN PRODUCTION CORP. - Gold Medal #7
Existing Roads Exhibit E

Vicinity of nearest town or reference pt.
 approx. 8½ miles SW of Blanco Trading
 Post

Type of surface dirt

Conditions good

Other _____

Reference map: USGS map: Huerfano Trading
Post SW 1966; Pueblo Bonito NW 1966

Planned Access Road(s)

Exhibit E

Width _____ Maximum grades _____

Drainage design _____

Cuts & Fills _____

Surfacing material _____

Turnouts

Culverts

Gates

Cattleguards

Fence cuts

Waterbars

**NO NEW ACCESS
ROAD REQUIRED**

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