

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTRECEIVED
BLM

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		93 JUN -4 PM 2:27		
b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		070 FARMINGTON, NM		
2. NAME OF OPERATOR DUGAN PRODUCTION CORP. 6515				
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 1980' FSL & 990' FWL (NW/4 SW/4) At proposed prod. zone				
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 4 miles NW of Nageezi, NM				
10. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)		990'		
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.		approx. 8500' from DPC's Federal 27 #43		
21. ELEVATIONS (Show whether DF, BT, GR, etc.) Est. 6892' GL		This action is subject to technical and procedural review pursuant to 43 CFR 3100.3 and appeal pursuant to 43 CFR 3100.4.		
16. NO. OF ACRES IN LEASE 2240		17. NO. OF ACRES ASSIGNED TO THIS WELL N/80		
19. PROPOSED DEPTH 5330'		20. ROTARY OR CABLE TOOLS Rotary		
22. APPROX. DATE WORK WILL START* ASAP				
23. PROPOSED CASING AND CEMENTING PROGRAM				
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#	5330'	1699 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.

*Please note name change. Notice of Staking and Archeological report filed under Enero Dinero #2.

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JUN 14 1993

OIL CON. DIV.
DIST. 3

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 Sherman E. Dugan TITLE Vice-President DATE 6/4/93
(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 thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY [Signature] TITLE _____ DATE JUN 14 1993
DISTRICT MANAGER

*See Instructions On Reverse Side

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1940, 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 November 24		Well No. 2
Unit Letter L	Section 28	Township 24 North	Range 9 West	County NMPM San Juan	
Actual Footage Location of Well: 1980 feet from the South line and 990 feet from the West line					
Ground level Elev. 6892 Est.	Producing Formation Gallup		Pool Bisti Lower Gallup <i>ERT</i>	Dedicated Acreage: 80 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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.?
☐ 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 interest, has been approved by the Division.

		RECEIVED JUN 1 1993 FARMINGTON REGIONAL OFFICE DISTRICT 3	
		RECEIVED JUN 14 1993 OIL CON. DIV. DIST. 3	

OPERATOR CERTIFICATION

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

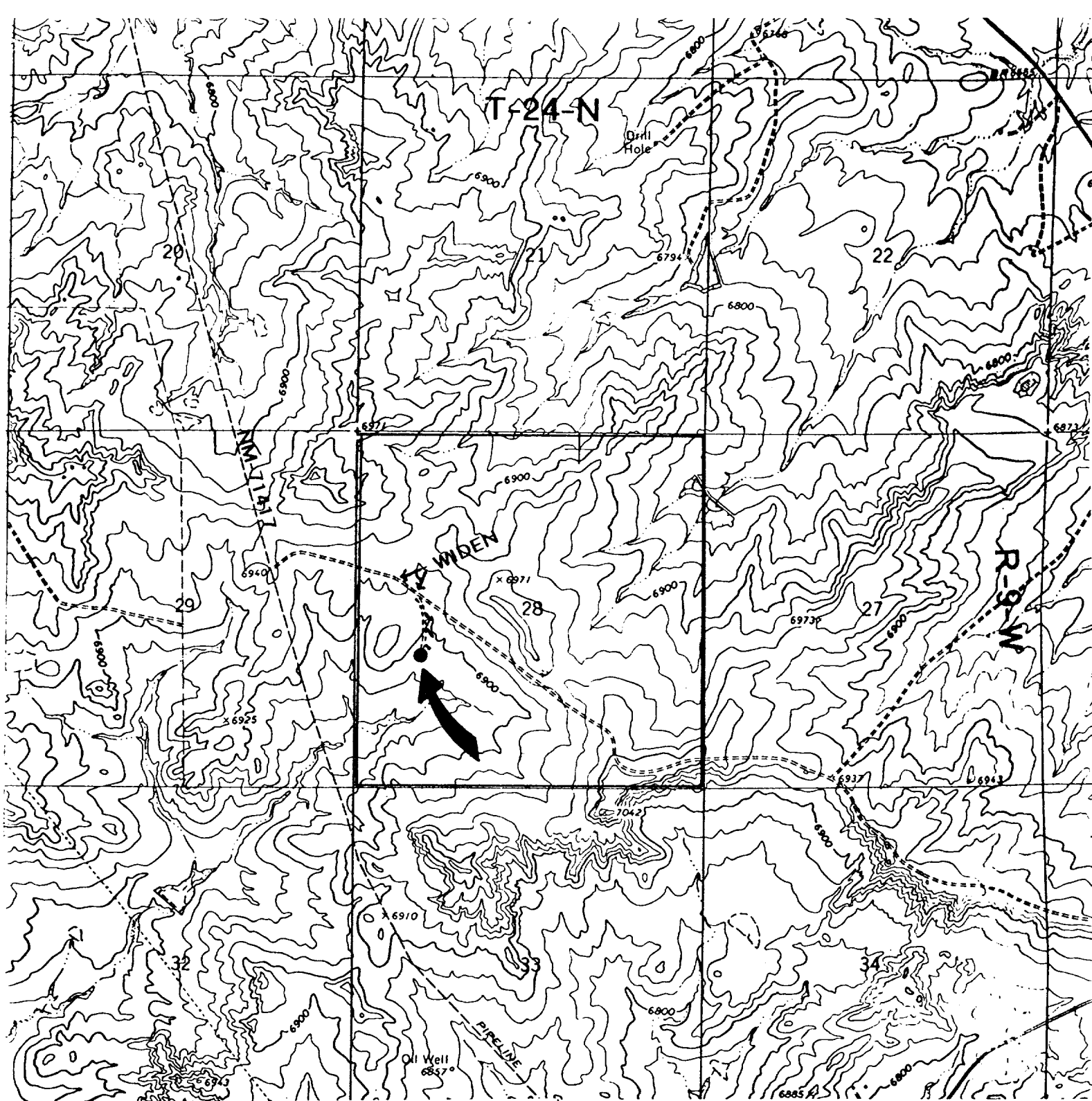
Signature
Sherman E. Dugan
Printed Name
Sherman E. Dugan
Position
Vice-President
Company
Dugan Production Corp.
Date
6/4/93

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
November 16, 1992
Signature & Seal
Professional Surveyor
Edgar L. Risenhoover
EDGAR L. RISENHOOVER
NEW MEXICO
1992
Certificate No. 5979
Edgar L. Risenhoover

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0



Existing Roads

Exhibit E

Vicinity of nearest town or reference pt.
approx. 4 miles NW of Nageezi, NM

Type of surface dirt

Conditions good

Other _____

Reference map: USGS map Blanco Trading
Post, NM 1966

Planned Access Road(s)

Exhibit E

Width 20' Maximum grades _____

Drainage design as required

Cuts & Fills see diagram

Surfacing material none

Turnouts

Culverts

Gates

Cattleguards

Fence cuts

Waterbars

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