

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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

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

1650' FNL & 1650' FWL

At proposed prod. zone

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

approx. 3 1/2 miles northeast of Ojito, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

330'

16. NO. OF ACRES IN LEASE

80

17. NO. OF ACRES ASSIGNED*

TO THIS WELL

640

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

8090'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

7358' GL DRILLING OPERATIONS AUTHORIZED ARE

22. APPROX. DATE WORK WILL START*

ASAP

23. SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS" PROPOSED CASING AND CEMENTING PROGRAMThis action is subject to technical and
procedural review pursuant to 43 CFR 3165.4
and appeal pursuant to 43 CFR 3165.4.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	
12-1/4"	9-5/8"	36#	200'	150 cf circ. to surface
7-7/8"	5-1/2"	15.5 & 17#	8090'	2445 cf circ. to surface

Plan to drill a 12-1/4" hole and set 200' of 9-5/8" OD, 36#, J-55 surface casing; then plan to drill a 7-7/8" hole to total depth with gel-water-mud program to test the Mancos formation. Plan to run IES and CDL logs. If deemed productive, will run 5 1/2", 15.5 & 17#, J-55 production casing, selectively perforate, frac, clean out after frac and complete well.

RECEIVED

APR 04 1988

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

10-8-87

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

DATE

HOLD C-104 FOR ACRES CONSOLIDATION
NMOCQ

EK

*See Instructions On Reverse Side

APPROVED
AS AMENDED
DATE
AREA MANAGER

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

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

Operator Dugan Production Corporation			Lease Evans Com.		Well No. 1
Unit Letter F	Section 21	Township 26 North	Range 2 West	County Rio Arriba	
Actual Footage Location of Well: 1650 feet from the North line and 1650 feet from the West line					
Ground Level Elev. 7358	Producing Formation Mancos		Pool Gavilan Mancos	Dedicated Acreage: 640 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 Will be Communitized or Force Pooled

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) Application for forced-pooling will be submitted.

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.

RECEIVED OIL CON. DIV. APR 4 1988	TRACT NO. 6 Fee Lease 240.20 A 1650'	TRACT NO. 3 NM-01397 80.0 A Dugan Prod. 25% Mesa Grande Resources 75%	TRACT NO. 1 NM-04077-A 40.0 A Alinda Hunt Hill Trust 100%
	1650'	TRACT NO. 5 NM-58135 SECTION 21	TRACT NO. 2 NM-04077 Margaret Hill 100% 40.0A
Mountain States Natural Gas 97.972%	Dugan Prod. Corp. - 100%	TRACT NO. 4 Dugan Production Corp. 100%	
Kindermac Partners 0.316%		Fee Lease	
Huntington T. Walker 0.461%			
R Bayless-1.250%			

CERTIFICATION

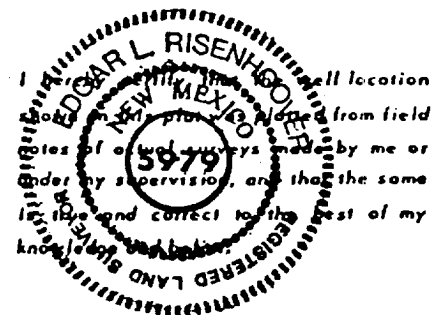
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Sherman E. Dugan

Position
Geologist

Company
Dugan Production Corp.

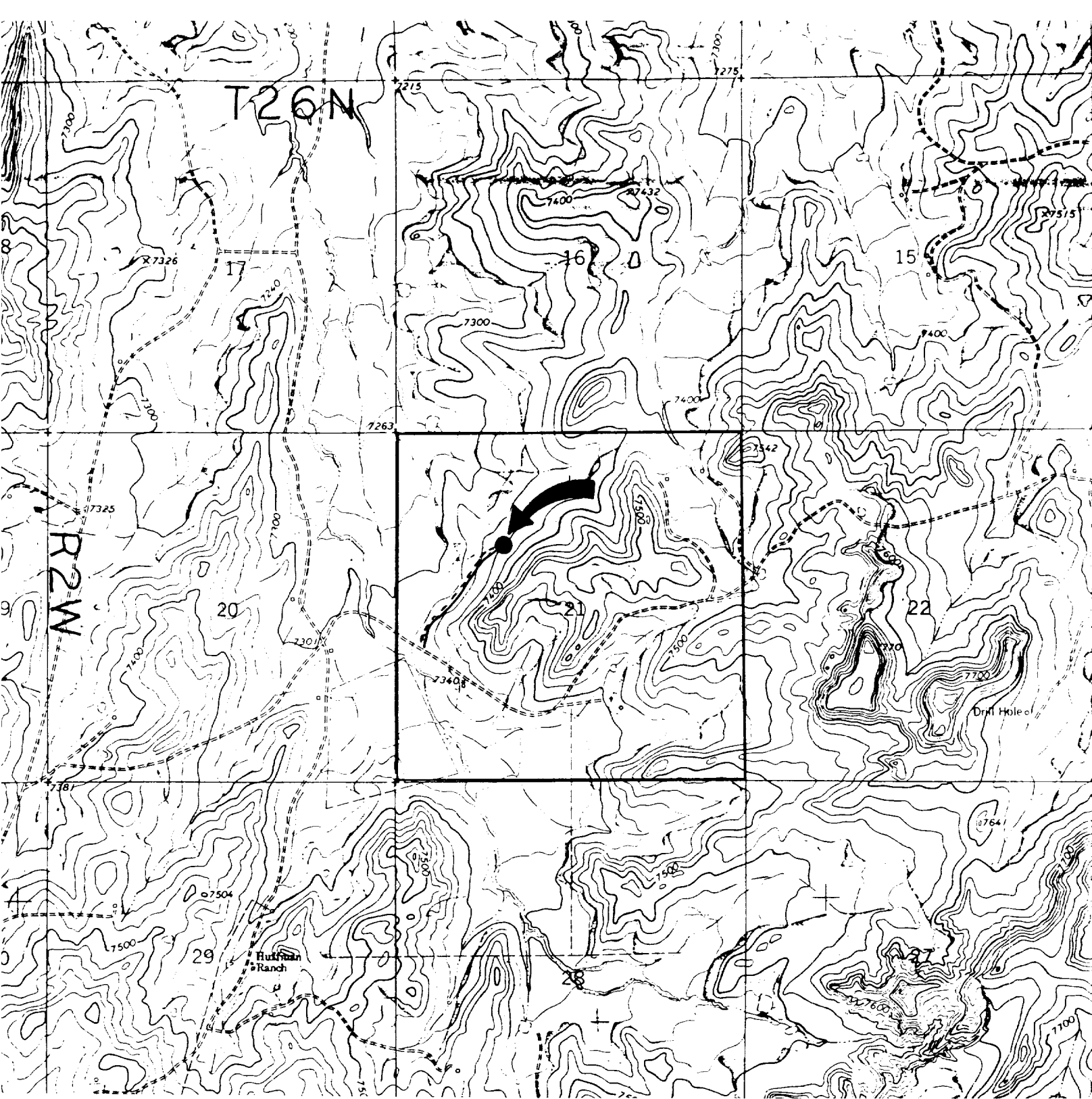
Date
October 8, 1987



Date Surveyed
September 18, 1987

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover
Certificate No. 5979
Edgar L. Risenhoover, L.S.



DUGAN PRODUCTION CORP. - Evans Com #1
Existing Roads Exhibit E

Planned Access Road(s) Exhibit E

Vicinity of nearest town or reference pt.
 approx. 4 miles NE of Ojito, NM

Width 20' Maximum grades 3%
 Drainage design as per land owner
 Cuts & Fills as per land owner
 Surfacing material none

Type of surface dirt

Conditions good

- ☒ Turnouts
- ☒ Culverts
- ☒ Gates
- ☒ Cattleguards
- ☒ Fence cuts

 Proposed Access Road

Other _____

Reference map: USGS map Ojito, New Mexico
1963, AMS 4556 1NE-Series V881

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