

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. TYPE OF WORK

DRILL ☒DEEPEN ☐

SEP -2 AM 8:58

B. TYPE OF WELL

OIL ☐GAS ☒OTHER ☐SINGLE ☒MULTIPLE ☐

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

1850' FNL & 1920' FEL (SW/4 NE/4)

At proposed prod. zone

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

Approx. 7 mi NW of Carson Trading Post, NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

790'

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

16. DISTANCE FROM PROPOSED LOCATION* approx. 2578'

TO NEAREST WELL, DRILLING, COMPLETED, from DPC

OR APPLIED FOR, ON THIS LEASE, FT. Donmac #1 P&A

17. NO. OF ACRES IN LEASE

320

18. PROPOSED DEPTH

1395'

19. NO. OF ACRES ASSIGNED
TO THIS WELL

320

20. ROTARY OR CABLE TOOLS

Rotary

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

6020' GR (test)

22. APPROX. DATE WORK WILL START*

ASAP

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-7/8"	7"	20#	120'	60sx (71 cu ft.) circ. to surf.
6-1/4"	4 1/2"	10.5#	1395'	135sx (225 cu ft.) circ. to surf.

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

Plan to drill a 9-7/8" hole and set 120' of 7" OD, 20#, J-55 surface casing;
then plan to drill a 6-1/4" hole to total depth with gel-water-mud program to
test the Fruitland Coal formation. Plan to run IES and CDL logs. If determined
productive, will run 4 1/2", 10.5#, J-55 casing, selectively perforate, frac,
clean out after frac and complete well.

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

8/31/98

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

FEB 22 1999

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:

/S/ Duane W. Spencer

Team Lead, Petroleum Management

FEB 22 1999

APPROVED BY

TITLE

DATE

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the
United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OK (e)

NMOCD

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

RECEIVED
MAY 12 1998
070 FRUITLAND CO. NM

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 APT Number 30 045 29844		2 Pool Code 71629		3 Pool Name Basin Fruitland Coal	
4 Property Code 24580		5 Property Name Nelson			6 Well Number 90
7 OGRID No. 006515		8 Operator Name Dugan Production Corporation			9 Elevation 6020' Estimated

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	9	26N	12W	G	1850	North	1920	East	San Juan

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

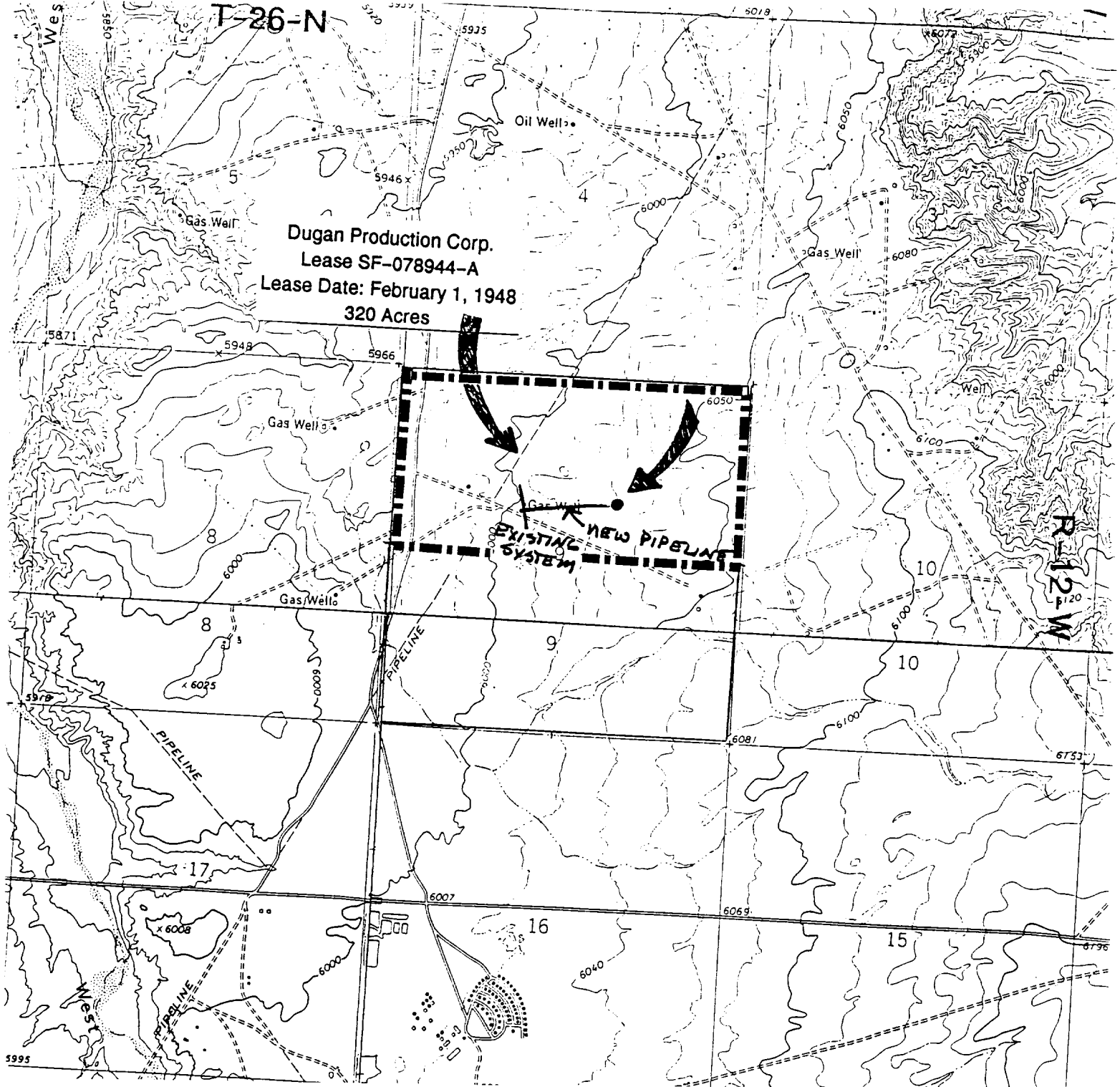
12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

				17 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 Vice-President Title 8/31/98 Date	
				18 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 in the best of my belief. May 12, 1998 Date of Survey Signature and Seal of the Surveyor Certificate Number 5979	

T-26-N

Dugan Production Corp.
Lease SF-078944-A
Lease Date: February 1, 1948
320 Acres



Existing Roads

Proximity of nearest town or reference pt.
 Approx 7 mi NW of Carson Trading Post, NM
Type of surface dirt
Conditions good
Other
Reference map: USGS map Carson Trading Post, NM
 (20' contour intervals) & Gallegos Trading Post NM
 (10' contour intervals) DUGAN PROD. - NELSON #90

ALL CONSTRUCTION IS ON LEASE
Exhibit E

Planned Access Road(s) Exhibit E
Width 20' Maximum grades
Drainage design as required
Cuts & Fills as required
Surfacing material none
☒ Turnouts ☒ Waterbars
☒ Culverts
☒ Gates
☒ Cattleguards ☒ Access Road & Pipeline
☒ Fence cuts
Access road(s) do not cross Fed/Ind land.
 No new access is required