

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

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

1850' FSL - 790' FEL

At proposed prod. zone

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

10 miles south of Farmington, NM

15. DISTANCE FROM PROPOSED*

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

790'

15. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT. $\frac{1}{4}$ mile

16. NO. OF ACRES IN LEASE

1424.64

19. PROPOSED DEPTH

1450'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

20. ROTARY OR CABLE TOOLS

Rotary

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

6046' GL; RKB = GL

22. APPROX. DATE WORK WILL START*

ASAP

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7"	20#	100'	20 sx to surface
5-1/8"	2-7/8"	6.5#	1450'	200 cu.ft. to surface

Plan to drill with as little mud as possible to set surface casing at 100'. Then will drill with mud-water-gel mixture using the slim-hole technique to test the Pictured Cliffs Formation. If it appears productive after running IES log, will run 2-7/8" as casing, selectively perforate, possible frac and clean out, and complete the well with 1 1/2" tubing.

GAS NOT DEDICATED.

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

Jerry McHugh

TITLE

Landman

DATE

10-19-82

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

CONDITIONS OF APPROVAL, IF ANY:

Joint acreage with KR #3

APPROVED
AS AMENDED

DATE

NOV 03 1982

JAMES F. SIMS

DISTRICT ENGINEER

NMOCC

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

SANTA FE, NEW MEXICO 87501

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

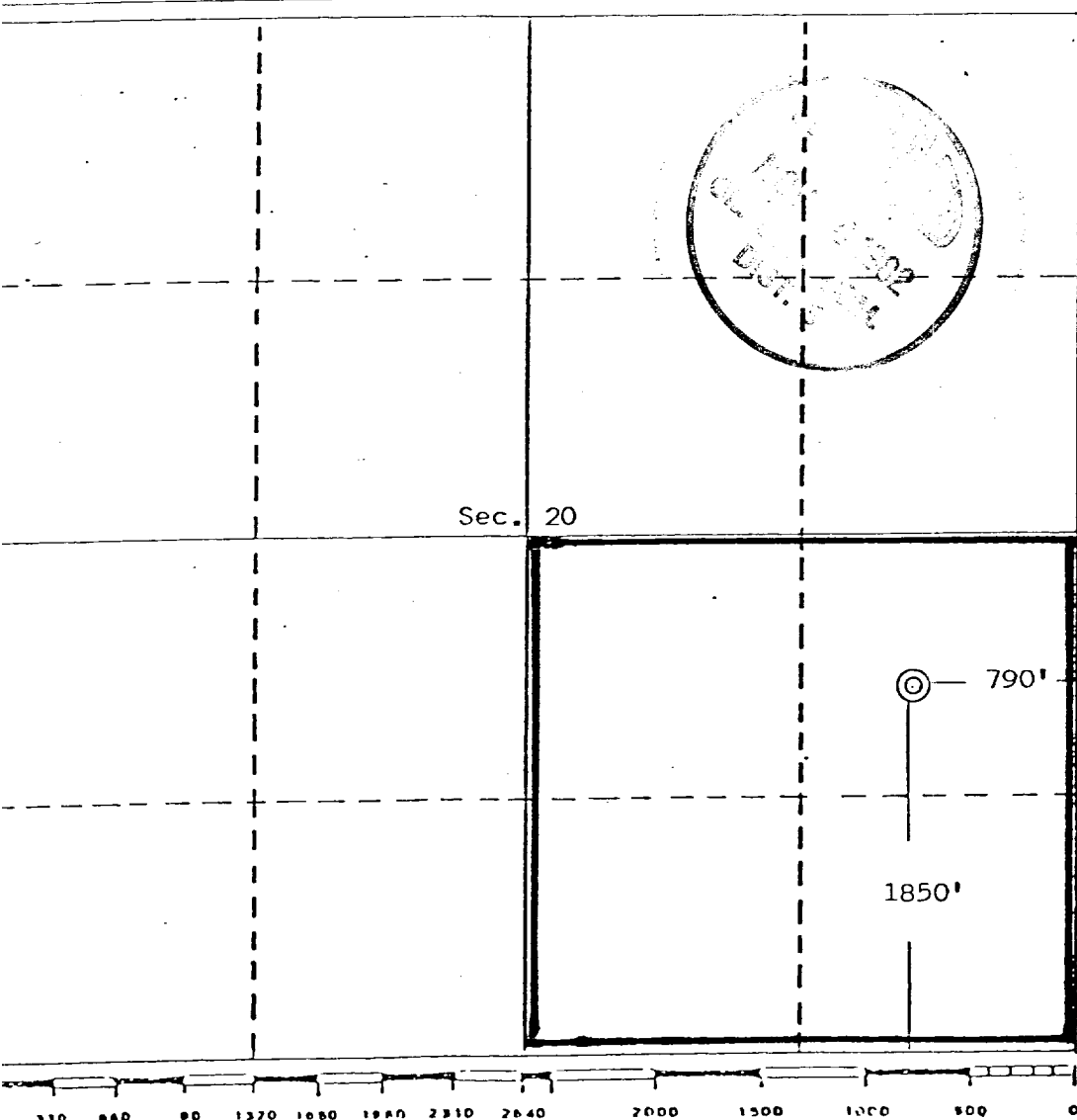
Operator Dugan Production Corporation		Lease K R		Well No. 37	
Unit Letter 1	Section 20	Township 27 North	Range 13 West	County San Juan	
Actual Footage Location of Well: 1850 feet from the South line and 790 feet from the East line					
Ground Level Elev. 6046	Producing Formation Fruitland PC	Pool WAW Fruitland PC		Dedicated Acreage: 160 Acres ^{Joint with KR #3}	

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 _____

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.

Jerry McHugh
Name

Jerry McHugh

Position

Landman

Company

Dugan Production Corp.

Date

10-19-82

I hereby certify that the well location shown on this plat is from field notes of a 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

September 20, 1982

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover

Certificate No. 5979

Edgar L. Risenhoover, L.S.