

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>				5. LEASE DESIGNATION AND SERIAL NO. 30-045-25814 NM 0553184	
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR DUGAN PRODUCTION CORP.				7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P O Box 208, Farmington, NM 87499				8. FARM OR LEASE NAME Ojo He He	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 790' FNL - 790' FEL At proposed prod. zone				9. WELL NO. 7R	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 5 miles NE of Chaco Plant				10. FIELD AND POOL, OR WILDCAT WAW Pictured Cliffs	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 790'		16. NO. OF ACRES IN LEASE 1106.7		17. NO. OF ACRES ASSIGNED TO THIS WELL 160	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1500'		19. PROPOSED DEPTH 1420		20. ROTARY OR CABLE TOOLS rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6124' GL: GL = RKB DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED				22. APPROX. DATE WORK WILL START* ASAP	
23. PROPOSED CASING AND CEMENTING PROGRAM				This action is subject to administrative appeal pursuant to 30 CFR 250.	
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT	
8-3/4"	7"	20#	120'	34 cf to surface	
5-1/8"	2-7/8"	6.5#	1420'	250 cf in 1 stage	

Plan to drill a 8-3/4" hole and set 100' of 7" surface pipe; then will drill with mud-water-gel drilling fluid, using slim hole technique to test the Pictured Cliffs formation. Will run I.E.S. log and if deemed productive, will run 2-7/8" as casing, selectively perforating, possibly fracing, then completing well with 1-1/4" tubing.

GAS IS DEDICATED.

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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. Sherman E. Dugan Sherman E. Dugan TITLE Geologist

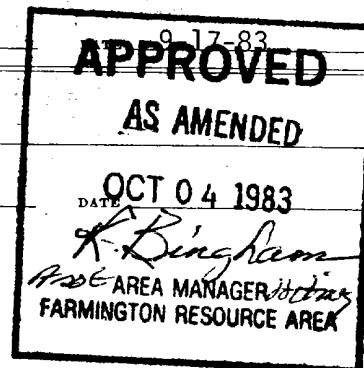
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

NMOCC



## OIL CONSERVATION DIVISION

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-102  
Revised 10-1-78

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

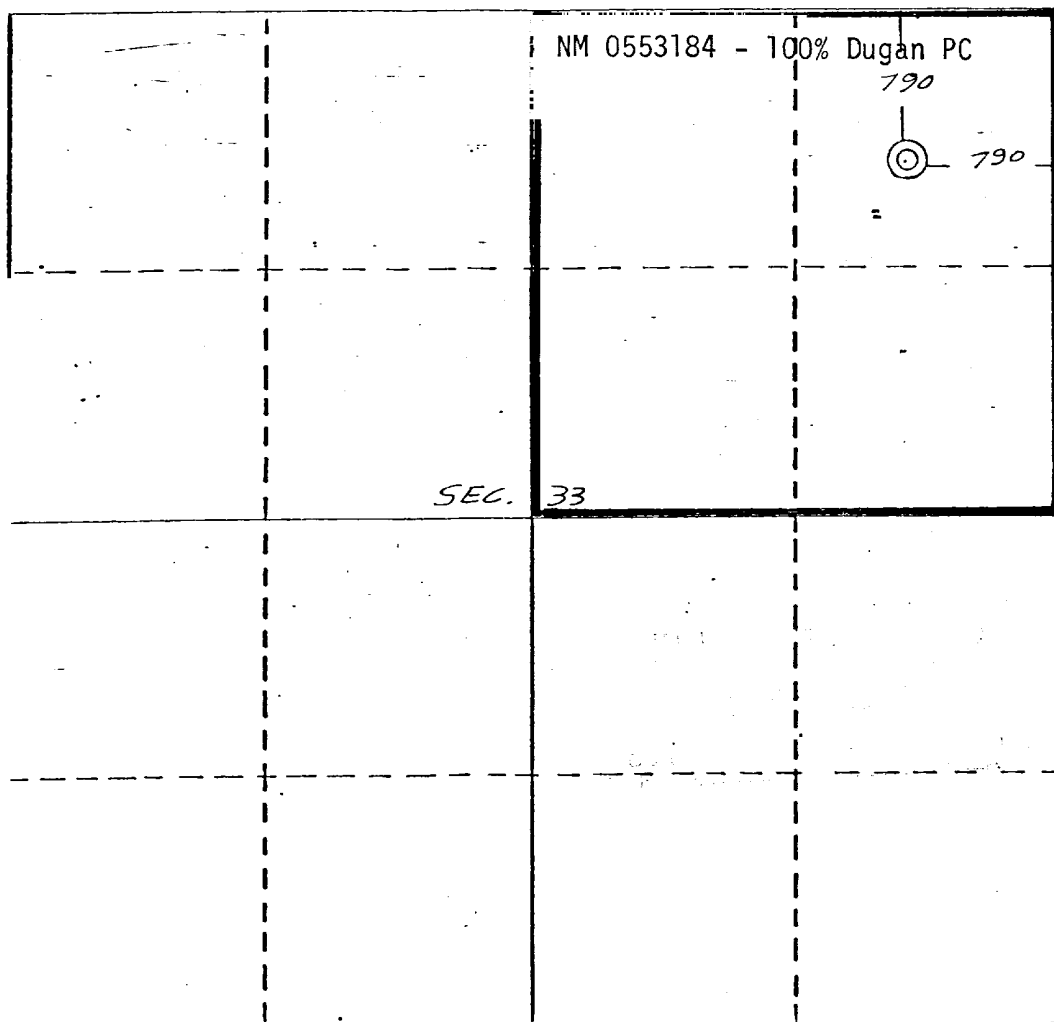
Operator Dugan Production Corporation			Lease Ojo He He		Well No. 7R
Unit Letter A	Section 33	Township 27 North	Range 13 West	County San Juan	
Actual Footage Location of Well: 790 feet from the North line and 790 feet from the East line					
Ground Level Elev. 6124	Producing Formation Pictured Cliffs		Pool WAW Pictured Cliffs	Dedicated Acreage: 160 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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.

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DIST. 3

## CERTIFICATION

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

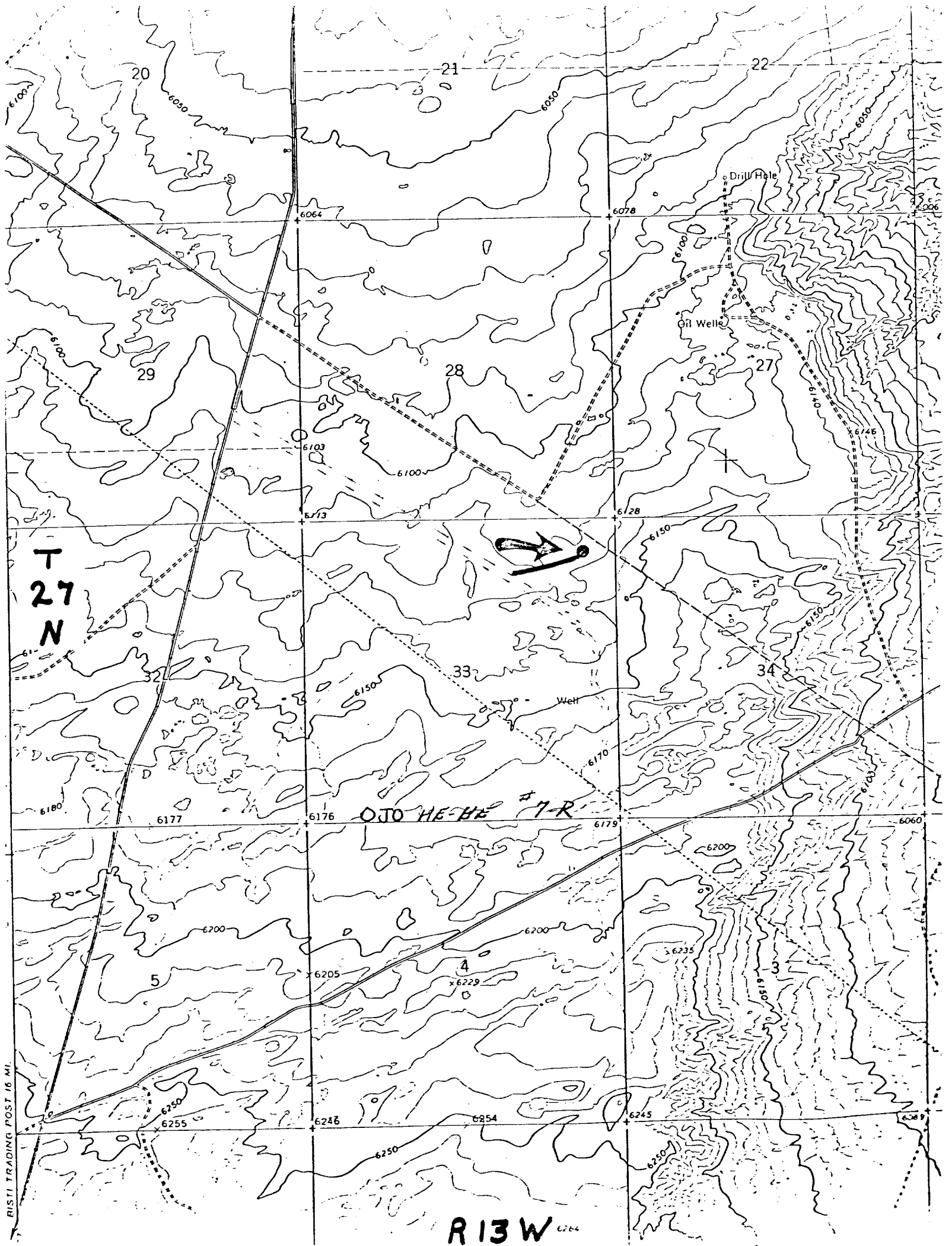
*Sherman E. Dugan*  
Name

Sherman E. Dugan

Position  
GeologistCompany  
Dugan Production Corp.Date  
9-17-83

I hereby certify that the location shown on this plat was derived from field notes or actual survey made by me or under my supervision and that the same is true and correct to the best of my knowledge.

Date Surveyed  
September 12, 1983Registered Professional Engineer  
and/or Land Surveyor*Edgar L. Risenhoover*  
Certificate No. 5979



DUGAN PRODUCTION CORP. - Ojo He He #7R  
 Existing Roads ===== Exhibit E

Distance from nearest town or reference pt.  
 5 miles NE of Chaco Plant

Type of surface dirt

Conditions good

Other

DUGAN PRODUCTION CORP. - Ojo He He #7R  
 Planned Access Road(s) ————— Exhibit E

Width 10' Maximum grades 0%

Drainage design none needed

Cuts & Fills none

Surfacing material on site

Turnouts none

Culverts none

Gates none

Cattle guards none