

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-010063	
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. 6515		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. P.O. Box 420, Farmington, NM 87499		8. FARM OR LEASE NAME, WELL NO. Lucerne #3 19952	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 790' FSL & 790' FWL (SW/4 SW/4) At proposed prod. zone		9. API WELL NO. 30 045 29420	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 4 1/2 miles southwest of Bloomfield, NM		10. FIELD AND POOL, OR WILDCAT Fulcher Kutz PC EXT 77200	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 790'		11. SEC., T., R., M., OR B.L. AND SURVEY OR AREA Unit M, Sec. 8, T28N, R11W	
16. NO. OF ACRES IN LEASE 132.33 fractional section		12. COUNTY OR PARISH San Juan	
17. NO. OF ACRES ASSIGNED TO THIS WELL 132.33 (fractional section)		13. STATE NM	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETION OR APPLIED FOR, ON THIS LEASE, FT. approx. 700' SW of Lucerne #1		19. PROPOSED DEPTH 1680'	
20. ROTARY OR CABLE TOOLS Rotary		21. APPROX. DATE WORK WILL START* ASAP	
22. ELEVATIONS (Show whether DF, RT, GR, etc.) 5523' GL (est)		23. This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 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'	50 sx (59 cf) circ. to surface
6-1/4"	4 1/2"	10.5#	1680'	185 sx (325 cf) circ. to surface

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 Pictured Cliffs 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.

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OIL CON. DIV.
DMT. 3

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zones 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 prevention program, if any.

24. SIGNED Sherman E. Dugan TITLE Vice-President DATE 9/24/96
(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 enclose or otherwise affect the interests thereon.
CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY AK TITLE _____ DATE OCT 29 1996
/S/ Duane W. Spencer
DISTRICT MANAGER

*See Instructions On Reverse Side

District I
PO Box 1988, Hobbs, NM 88241-1988
District II
PO Drawer 110, Artesia, NM 88211-0719
District III
1000 Rio Grande 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

50 SEP 27 PM 4:23

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-29420		Pool Code 77200	Pool Name Fulcher Kutz Pictured Cliffs EXT
Property Code 19952	Property Name Lucerne		Well Number 3
OGRID No. 006515	Operator Name Dugan Production Corp.		Elevation 5523' Estimated

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	8	28N	11W		790	South	790	West	San Juan

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

Dedicated Acres 132.33*	Joint or Infill	Consolidation Code	Order No. *NSPU necessitated by irregular section
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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

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DIST. 3

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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
9/24/96
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 to the best of my belief.

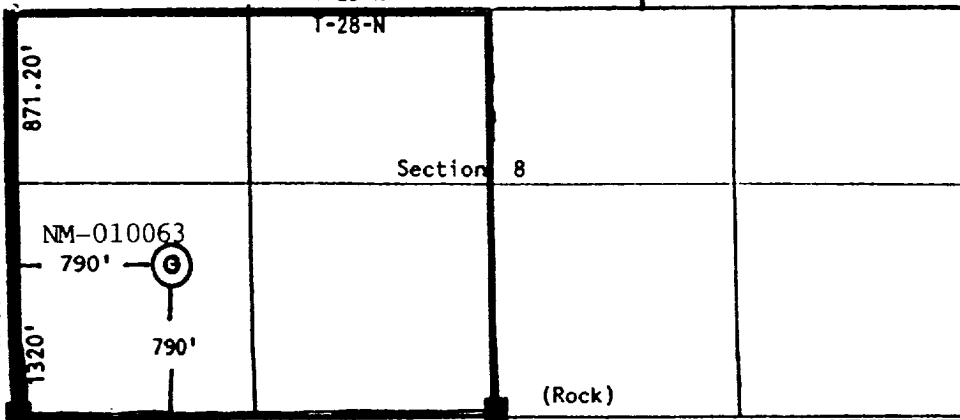
September 9, 1996

Date of Survey

Signature and Seal of Professional Surveyor:

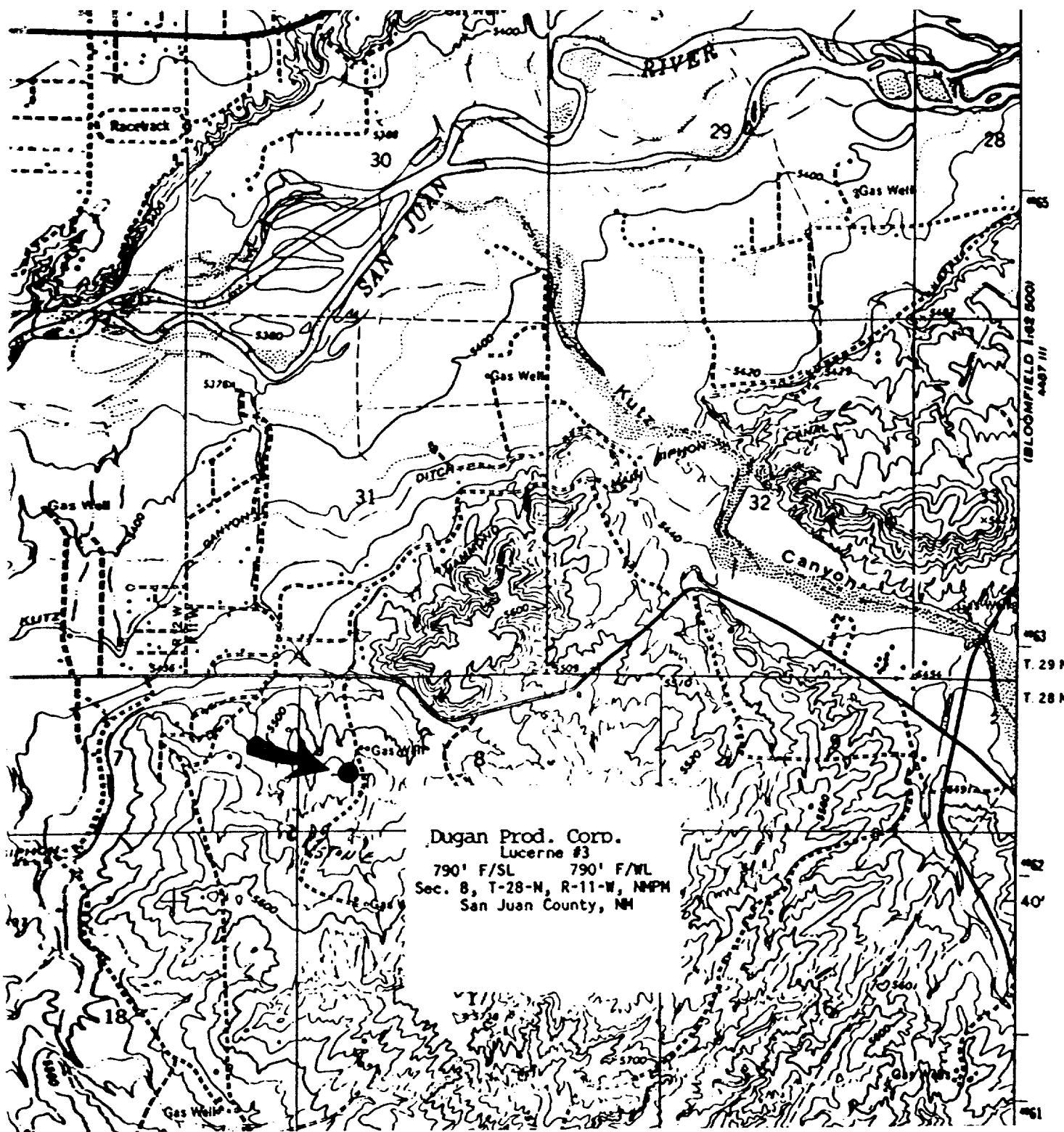
Edgar L. Rinkbaum
Certificate Number

2191.20' (Record)
N 00°03' W
1320'



(Rock)

S 89°52' W (Record)



Dugan Prod. Corp.
 Lucerne #3
 790' F/SL 790' F/WL
 Sec. 8, T-28-N, R-11-W, NMPH
 San Juan County, NM

Existing Roads Exhibit E
 Vicinity of nearest town or reference pt.
4½ miles SW of Bloomfield, NM
 Type of surface dirt
 Conditions good
 Other _____
 Reference map: USGS map - Bloomfield, NM

Planned Access Road(s) Exhibit E
 Width 20' Maximum grades 1%
 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/do not cross Fed/Ind land.