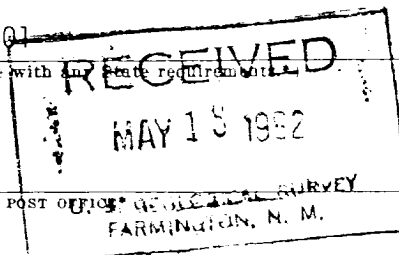


**UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY**

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. 14-20-603-2015	
2. NAME OF OPERATOR DUGAN PRODUCTION CORP.			6. IF INDIAN, ALLOTTEE OR TRIBE NAME Navajo	
3. ADDRESS OF OPERATOR P O Box 208, Farmington, NM 87401			7. UNIT AGREEMENT NAME	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 1850' FNL - 1850' Fe1 At proposed prod. zone			8. FARM OR LEASE NAME Pet Inc	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 9 miles south of Fruitland, NM			9. WELL NO. 19	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 790'			10. FIELD AND POOL, OR WILDCAT Fruitland Ojo Pictured Cliffs Ex.	
16. NO. OF ACRES IN LEASE 2480			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA G Sec 25 T28N R15W	
17. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1580'			12. COUNTY OR PARISH San Juan	
18. PROPOSED DEPTH 775'			13. STATE NM	
19. ROTARY OR CABLE TOOLS Rotary			20. APPROX. DATE WORK WILL START* ASAP	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5680' GL				



PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7"	20#	30'	5 sx to surface
6-1/4"	2-7/8"	6.5#	775'	130 cu.ft. slurry to surface

Plan to drill well with air using slim hole technique to test the Pictured Cliffs Formation, cement above formation packer shoe, clean out and run 1 1/2" tubing, and complete well.

GAS 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 Well Site Coordinator DATE 5-11-82
 (This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____
 CONDITIONS OF APPROVAL, IF ANY:

APPROVED AS AMENDED
DATE MAY 24 1982 <i>Elliott</i> JAMES F. SELL DISTRICT ENGINEER

N. MEXICO OIL CONSERVATION COMMISS.
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form O-10
Supersedes O-12B
Effective 1-1-65

All distances must be from the outer boundaries of the Section

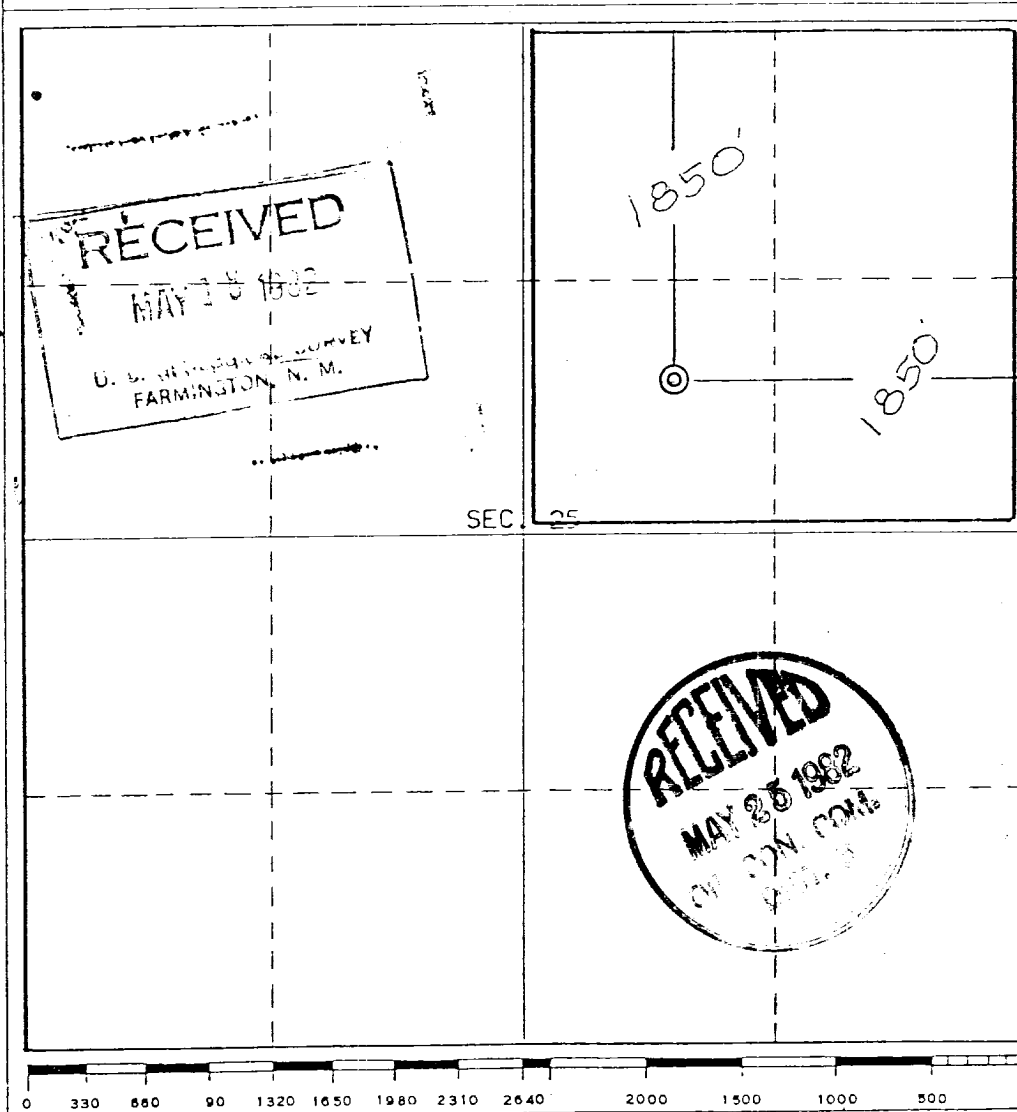
Operator: Dugan Production Corporation			Lease: Pet Inc		Well No. 19
Unit Letter G	Section 25	Township 28 North	Range 15 West	County San Juan	
Actual Footage Location of Well: 1850 feet from the North line and 1850 feet from the East line					
Ground Level Elev. 5680	Producing Formation: Fruitland Pictured Cliffs		Pool: Ojo Pictured Cliffs Ext.	Dedicated Acreage: 160 acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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 Commission.



CERTIFICATION

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

Jim L. Jacobs
Name

Jim L. Jacobs

Position

Geologist

Company

Dugan Production Corp.

Date

5-12-77

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 are true and correct to the best of my knowledge and belief.

Date Surveyed

April 27, 1977

Registered Professional Engineer and/or Land Surveyor

E.V. Echohawk

Certificate No. 3602

E.V. Echohawk LS