

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 420, Farmington, NM 87499

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface
1850' FNL & 1850' FEL
At proposed prod. zone

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

9 miles south of Farmington

15. DISTANCE FROM PROPOSED* 1850' FNL, Sec. 31,
LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drilg. unit line, if any) T28N, R13W

16. NO. OF ACRES IN LEASE

160

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.

19. PROPOSED DEPTH

1340'

20. ROTARY OR CABLE TOOLS

Rotary

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

5818' GL

22. APPROX. DATE WORK WILL START*

ASAP

23.

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"
PROPOSED CASING AND CEMENTING PROGRAMThis action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
8-3/4"	7"	23#	90'	40 cu.ft. circ. to surface
4-3/4"	2-7/8"	6.5#	1340'	192 cu.ft. circ. to surface

Plan to drill with as little mud as possible, using the slim-hole technique to test the Pictured Cliffs formation. Plan to run IES log and if the well appears productive, will set 2-7/8" casing, cemented to surface, will selectively perforate, possibly frac and clean out after frac.

RECEIVED

APR 21 1989

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.

SIGNED

Sherman E. Dugan

TITLE

Vice-President

DATE 3-28-89

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

BUREAU

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

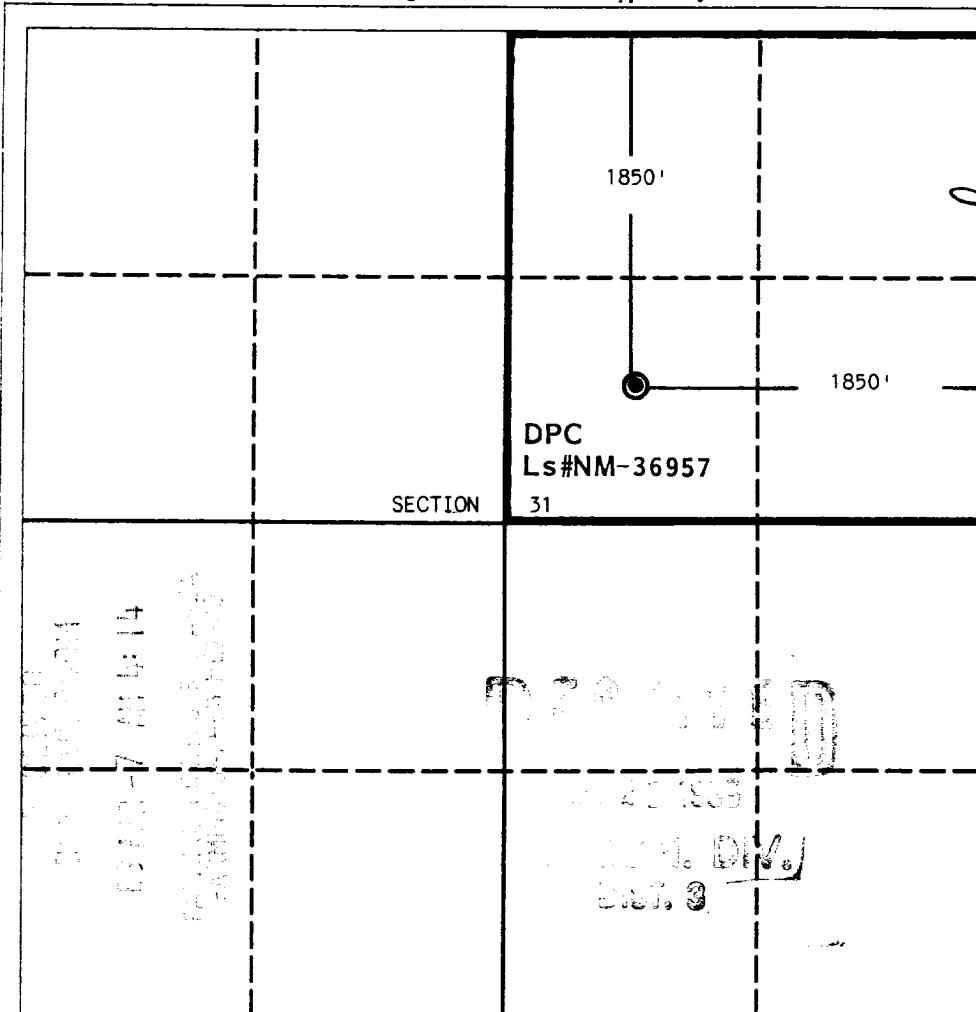
Operator Dugan Production Corporation			Lease Golden State		Well No. 1
Unit Letter G	Section 31	Township 28 North	Range 13 West	County San Juan	

Actual Footage Location of Well:

1850 feet from the North line and 1850 feet from the East line

Ground level Elev. 5818	Producing Formation Pictured Cliffs	Pool WMAW FRT 5818 Wildcat Pictured Cliffs EXT	Dedicated Acreage: 160 Acres
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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 interest 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 interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature
Sherman E. Dugan
Printed Name
Sherman E. Dugan
Position
Vice-President
Company
Dugan Production Corp.
Date
3-28-89

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 knowledge and belief.

Date Surveyed
March 13, 1989

Signature & Seal of Professional Surveyor
EDGAR L. RISENHOVER
NEW MEXICO
5979
Certificate No. 5979
Edgar L. Risenhover, S.

Existing Roads Golden State #1
Exhibit E

DUGAN PRODUCTION CORP. - Golden State #1
Planned Access Road(s) Exhibit E

Vicinity of nearest town or reference pt.
9 miles south of Farmington

Type of surface dirt

Conditions good

Other _____

Reference map: USGS map Kirtland SE, New
Mexico N3630-W10815/7.5 1966 Series V881

Width _____ Maximum grades _____

Drainage design _____

Cuts & Fills _____

Surfacing material _____

Turnouts

Culverts

Gates

Cattleguards

Fence cuts

Waterbars

No Access Road Required
Existing Road Parallels
Proposed Canal Road

Access road(s) do/do not cross Fed/Ind land.

