

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

3.0 - 045 - 23208

## 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

Box 234, Farmington, NM 87401

## 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\*

2 miles north of Farmington, New Mexico

## 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

400

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.

None

## 19. PROPOSED DEPTH

1500

## 20. ROTARY OR CABLE TOOLS

Rotary

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

5620' GR

## 22. APPROX. DATE WORK WILL START\*

9-18-78

## 23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
7-7/8	5-1/2	14#	40'	10 sx
5"	2-7/8"	6.4#	1850'	100 sx

Plan to drill well using mud as circulating medium to test Pictured Cliffs formation. If productive, plan to set 2-7/8" tbg for csg, selectively perforate, frac, cleanout after frac, run 1-1/4" tubing and complete well.

Do not plan to use a blowout preventer while drilling. Will use master valve and stripper head while completing well.

NMERB Requirement: 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

Richard Tully

TITLE

Landman

DATE

8-23-78

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

oh Frank

\*See Instructions On Reverse Side

NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102  
Supersedes C-128  
Effective 1-1-65

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

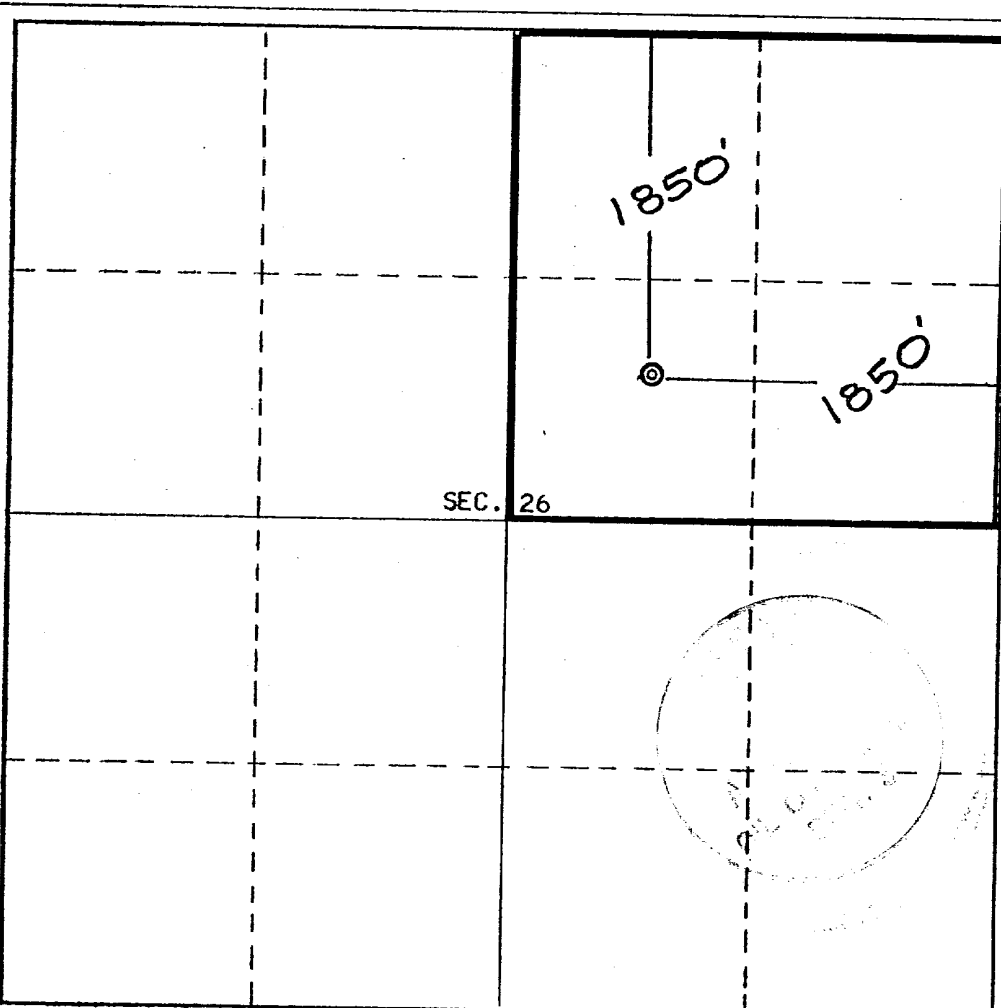
Operator <b>Dugan Production Corporation</b>			Lease <b>Jacobs</b>			Well No. <b>1</b>
Unit Letter <b>G</b>	Section <b>26</b>	Township <b>30 North</b>	Range <b>14 West</b>	County <b>San Juan</b>		
Actual Footage Location of Well: <b>1850</b> feet from the <b>North</b> line and <b>1850</b> feet from the <b>East</b> line						
Ground Level Elev. <b>5620</b>	Producing Formation <b>Fruitland - Pictured Cliff</b>		Pool <b>Harper Hill</b>	Dedicated Acreage: <b>160</b>		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 Commission.



CERTIFICATION

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

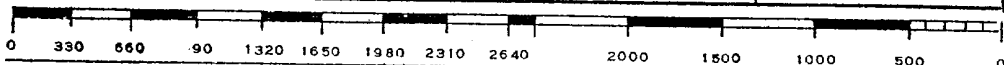
*Richard Tully*

Name  
**Richard Tully**  
Position  
**Landman**  
Company  
**Dugan Production Corp**  
Date  
**8-23-78**

I hereby certify that the 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.

**REGISTERED PROFESSIONAL LAND SURVEYOR**  
**WEST MEXICO**  
**E.V. ECHOHAWK**

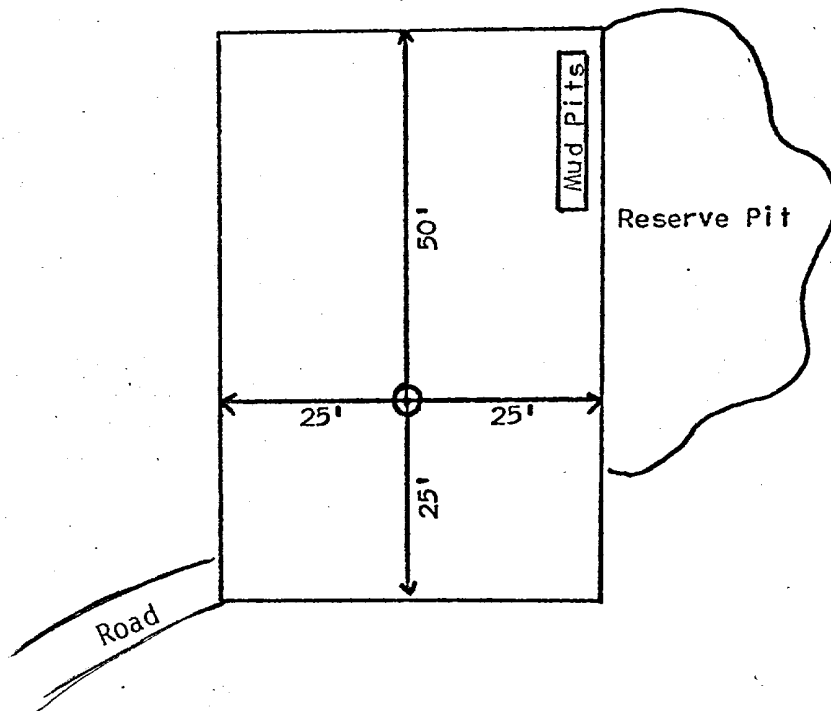
Date Surveyed  
**July 13, 1978**  
Registered Professional Engineer and/or Land Surveyor  
*E.V. Echohawk*  
Certificate No. **3602**  
**E.V. Echohawk LS**



Dugan Production Corp.

Jacobs #1

Proposed Location Layout



DEVELOPMENT PLAN

Dugan Production Corp.

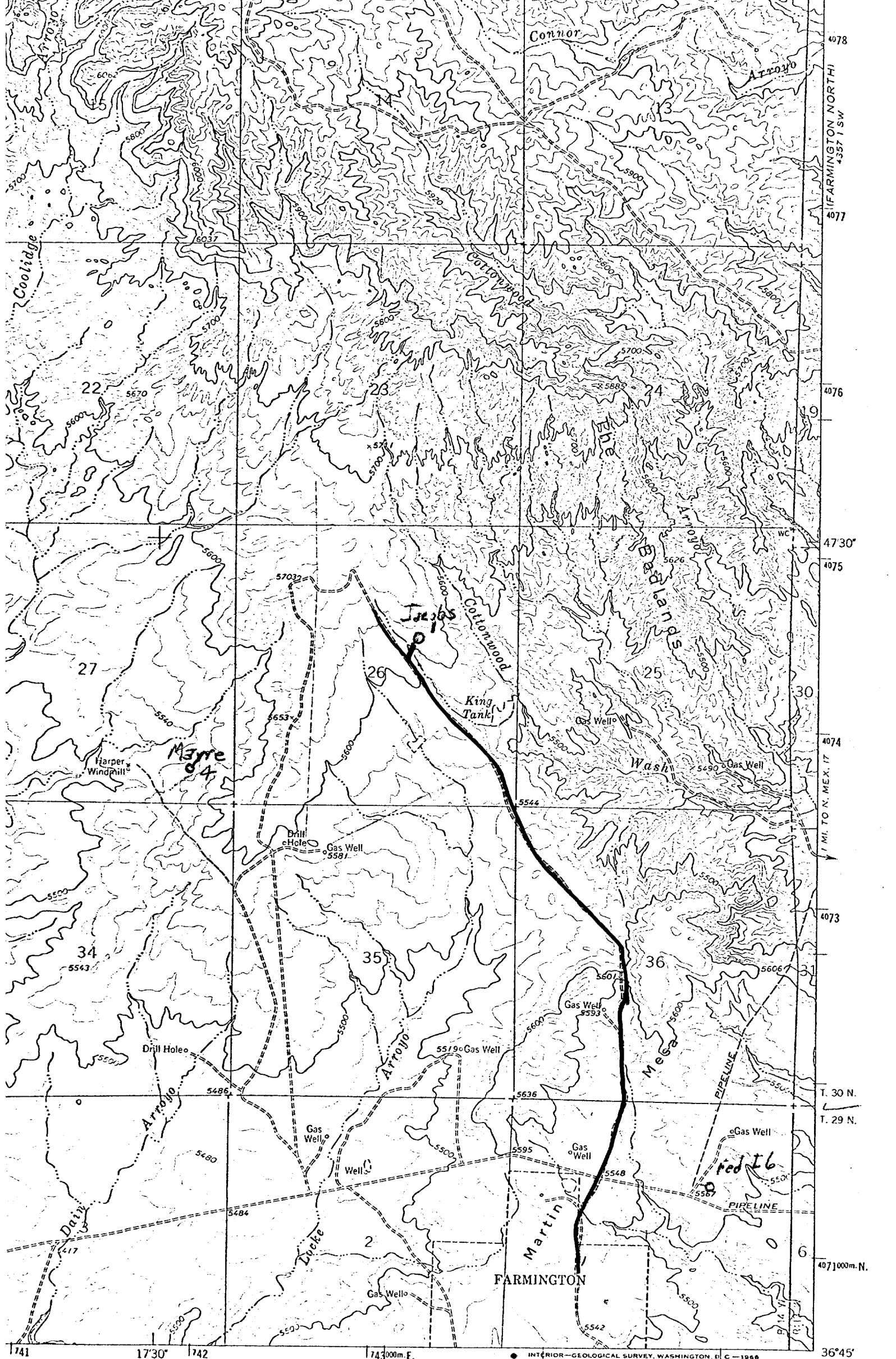
Jacobs #1

1. Existing roads and existing wells are shown on attached plat.
2. Planned access from existing road approximately 300' to new location. Will leave natural grass and small vegetation on roadway. Will remove large brush or trees from road. Do not plan to make road grade or bar ditches. Will bottom-out any arroyo we cross and not install culverts.
3. Location of well: 1850' FNL - 1850' FEL  
Section 26 T30N R14W  
San Juan County, NM
4. No additional well(s) planned on this lease at this time.
5. Separator and flow line will be located within 50' of wellhead.
6. Water will be secured from San Juan River.
7. Waste materials will be buried on location or in reserve pit.
8. No permanent camp is planned; trailer house will be used on location while drilling.
9. Do not plan to build airstrip.
10. See attached plat for proposed location layout.
11. A general description of the topography, soil characteristics, geologic features, flora and fauna; other surface-use activities and surface ownership of involved lands, proximity of water, occupied dwellings, archeological, historical or cultural sites can be found in the archeologist's report.
12. Geologic name of surface formation: Kirtland
13. Estimated tops of important geologic markers: Kirtland - surface  
Fruitland - 792 - gas  
Pictured Cliffs - 1200 - gas
14. Estimated depths of anticipated water, oil, gas, or other mineral bearing formations which are expected to be encountered:  
as above
15. We do not anticipate to encounter any abnormal pressures or temperatures or any potential hazards such as those associated with hydrogen sulfide.
16. Will clean up location, fill and level pits, level ruts in road, reseed location and road with Seed Mixture #2 and paint equipment with Sandstone Brown.
17. Operator's Representative:  
Richard Tully  
Box 234  
Farmington, NM 87401
18. Certification: The following statement must be signed by the lessee's or operator's field representative who is identified in Item #17 of the Plan:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this Plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Dugan Production Corp and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Date: 8-23-78

Richard Tully



1 MILE

7000 FEET

KILOMETER

Existing Road

Planned Access Road

ROAD CLASSIFICATION

Medium-duty

Light-duty

INTERIOR-GEOLOGICAL SURVEY, WASHINGTON, D. C. - 1966

36°45' 108°15'