

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

# APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

12. TYPE OF WORK <div style="display: flex; justify-content: space-around;"> <span>DRILL <input checked="" type="checkbox"/></span> <span>DEEPEN <input type="checkbox"/></span> <span>PLUG BACK <input type="checkbox"/></span> </div>				7. UNIT AGREEMENT NAME																
b. TYPE OF WELL <div style="display: flex; justify-content: space-between;"> <div> OIL WELL <input type="checkbox"/>  GAS WELL <input checked="" type="checkbox"/> </div> <div> SINGLE ZONE <input checked="" type="checkbox"/>  MULTIPLE ZONE <input type="checkbox"/> </div> </div>				8. FARM OR LEASE NAME																
2. NAME OF OPERATOR <b>DUGAN PRODUCTION CORP.</b>				Nice																
3. ADDRESS OF OPERATOR <b>P.O. Box 5820, Farmington, NM 87499-5820</b>				9. WELL NO. <b>'2</b>																
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) At surface <b>830' FNL &amp; 1530' FEL</b>  At proposed prod. zone				10. FIELD AND POOL, OR WILDCAT <b>Basin Dakota</b>																
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* <b>approx. 6 miles North of Kirtland, NM</b>				11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA <b>B</b> <b>Sec. 4, T 30N, R 14W, NMPM</b>																
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) <b>537'</b>		16. NO. OF ACRES IN LEASE <b>600</b>		17. NO. OF ACRES ASSIGNED TO THIS WELL <b>320</b>																
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. <b>75' from DPC's proposed Nice #3</b>		19. PROPOSED DEPTH <b>5990'</b>		20. ROTARY OR CABLE TOOLS <b>Rotary</b>																
21. ELEVATIONS (Show whether DF, RT, GR, etc.) <b>5685' GL; 5697' RKB</b>				22. APPROX. DATE WORK WILL START* <b>ASAP</b>																
23. <b>DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".</b>				This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.																
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>SIZE OF HOLE</th> <th>SIZE OF CASING</th> <th>WEIGHT PER FOOT</th> <th>SETTING DEPTH</th> <th>AMOUNT OF CEMENT</th> </tr> </thead> <tbody> <tr> <td>12-1/4"</td> <td>8-5/8"</td> <td>24#</td> <td>200'</td> <td>160 cu. ft. circ. to surface</td> </tr> <tr> <td>7-7/8"</td> <td>4-1/2"</td> <td>10.5#</td> <td>5990'</td> <td>1536 cu. ft. circ. to surface</td> </tr> </tbody> </table>						SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	AMOUNT OF CEMENT	12-1/4"	8-5/8"	24#	200'	160 cu. ft. circ. to surface	7-7/8"	4-1/2"	10.5#	5990'	1536 cu. ft. circ. to surface
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Plan to drill a 12-1/4" hole and set 200' of 8-5/8" OD, 24#, J-55 surface casing; then plan to drill a 7-7/8" hole to total depth with gel-water-mud program to test Dakota 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.

**RECEIVED**  
AUG 22 1988  
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 Jim L. Jacobs TITLE Geologist DATE 8-10-88  
(This space for Federal or State office use)

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

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

Hold C-104 for Acreage Consolidation  
\*See Instructions On Reverse Side

Zuck

## OIL CONSERVATION DIVISION

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088  
SANTA FE, NEW MEXICO 87501Form C-102  
Revised 10-1-78

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

Operator Dugan Production Corporation		Lease Nice		Well No. 2	
Unit Letter B	Section 4	Township 30 North	Range 14 West	County San Juan	
Actual Footage Location of Well: 830 feet from the North line and 1530 feet from the East line					
Ground Level Elev. 5685	Producing Formation Dakota		Pool Basin Dakota		Dedicated Acreage: 320 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 To be communitized

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

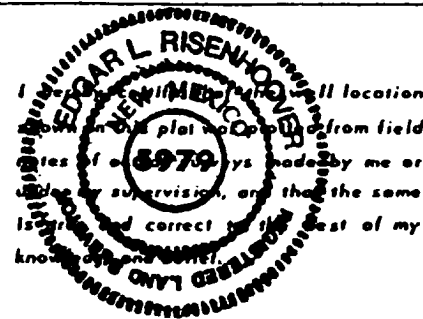
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.

<b>RECEIVED</b> AUG 22 1988 OIL CON. DIV. DIST. 3	SECTION 4	NM 16765 Dugan Prod.	830'	1540'
		NM 19403 Dugan Prod.		
		NM 70299 Dugan Prod.		

## CERTIFICATION

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

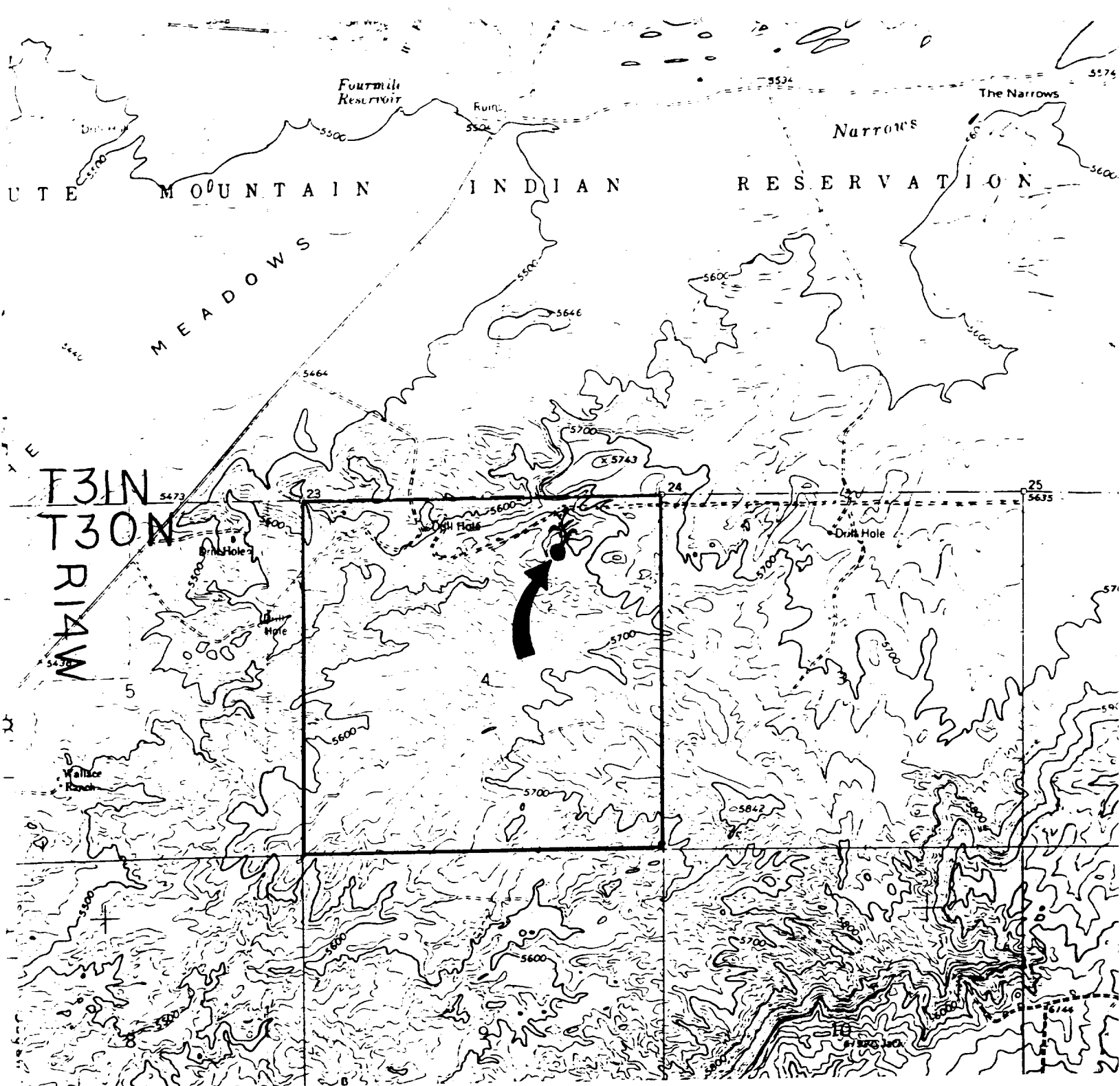
Name  
Jim L. Jacobs  
Position  
Geologist  
Company  
Dugan Production Corp.  
Date  
8-10-88



Date Surveyed  
July 5, 1988  
Registered Professional Engineer  
and/or Land Surveyor

*Edgar L. Risenhoover*  
Certificate No. 5979  
Edgar L. Risenhoover, I. S.

0 330 660 990 1320 1650 1980 2310 2640 2970 3300 3630 3960 4290 4620 4950 5280 5610 5940 6270 6600



**DUGAN PRODUCTION CORP. - Nice #2**  
Existing Roads Exhibit E

Vicinity of nearest town or reference pt.  
 approx. 6 miles North of Kirtland, NM

Type of surface dirt

Conditions good

Other \_\_\_\_\_

Reference map: USGS map Young's Lake  
N3645-W10815/7.5, 1963, photorevised 1979

**DUGAN PRODUCTION CORP. - Nice #2**  
Planned Access Road(s) Exhibit E

Width 20' Maximum grades 7%

Drainage design as required

Cuts & Fills see diagram

Surfacing material dirt

☒ Turnouts  
☐ Culverts  
☒ Gates  
☐ Cattleguards  
☐ Fence cuts

☐ Waterbars

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

TEXAS OTC