Form approved.

(Other instructions on

## UNITED STATES

|   | Dudget | Durean | MO. | 42-R | 1425 |
|---|--------|--------|-----|------|------|
| _ |        | ~~     |     | -    |      |
|   |        |        |     |      |      |

|  | DEPARTMEN'                 | T OF THE I       | NTED     | IOD             |                      |           | <u>30 -093-</u>                                  | 23613         |
|--|----------------------------|------------------|----------|-----------------|----------------------|-----------|--|---------------|
|  | DEPARTMEN                  | I OF THE I       | MICH     | NOR             |                      | 1         | 5. LEASE DESIGNATION                             | ND SERIAL NO. |
|  | GEOLO                      | GICAL SURV       | EY       |                 |                      |           | NM 0206994                                       | SW-968        |
| APPLICATION                                    | Y FOR PERMIT               | TO DRILL, I      | DEEPE    | N, OR P         | LUG B                | ACK       | G. IF INDIAN, ALLOTTEE                           | OR TRIBE NAME |
|  | ILL 🔯                      | DEEPEN           | □.       | PL              | UG BAC               | :к 🗆      | 7. UNIT AGREEMENT NA                             | ME            |
|  | AS OTHER                   |                  | S1:      | NGLE            | MULTIPE<br>ZONK      | ж 🗆       | S. FARM OR LEASE NAM                             | E             |
| 2. NAME OF OPERATOR                            | ent Conek                  | <del></del>      | 7.07     |                 | 2.474.               |           | Carpenter  |               |
| Dugan Produ                                    | action Corp.               |                  |          |                 |                      | ļ.        | 9. WELL NO.                                      |               |
| 3. ADDRESS OF OPERATOR                         |                            |                  |          |                 | 4 9 E 9 A            |           | 1E   |               |
| Box 234, Fa                                    | rmington, NM 8             | 37401            |          |                 | 生统合                  |           | 10. FIELD AND POOL, OF                           | WILDCAT       |
| 4. LOCATION OF WELL (R                         | eport location clearly and | in accordance wi | th any S | ta te requireme | nts. )               |           | Basin Dakot                                      | a             |
| At surface                                     |                            |                  |          | /               | المناو في الانتفادات | 1         | 11. SEC., T., R., M., OR B.<br>AND SURVEY OR ARI | LE.           |
| At proposed prod. zon                          | 1850' FNL -                | 1480' FWL        |          | JIM             | 19197                | 9         |  |               |
|  |                            |                  |          | N.              | <br>⊖NCO1            | , [       | Section 25                                       | T30N R14W     |
| 14. DISTANCE IN MILES                          | AND DIRECTION FROM NEA     | REST TOWN OR PUS | T OFFICE | , -             |                      | 78.       | 12. COUNTY OR PARISH                             | 13. STATE     |
| 8 miles NW                                     | of Farmington              |                  |          |                 | ist. 3               |           | San Juan   | NM            |
| 15. DISTANCE FROM PROPO<br>LOCATION TO NEAREST |                            |                  | 16. NO.  | OF ACRES IN     | LBASE                |           | F ACRES ASSIGNED                                 |               |
| PROPERTY OR LEASE I                            | INE, FT.                   | 1480'            |          | 320.36          |                      | 10 1      | 320.36   |               |
| 18. DISTANCE FROM PROF                         | OSED LOCATION®             | 16001            | 19. PR   | OPOSED DEPTH    |                      | 20. ROTAR | Y OR CABLE TOOLS                                 |               |
| OR APPLIED FOR, ON TH                          |                            | 1680'            |          | 6150'           |                      |           | Rotary   |               |
| 21. ELEVATIONS (Show who                       | ether DF, RT, GR, etc.)    |                  |          |                 |                      |           | 22. APPROX. DATE WOR                             |               |
| 5495' GR                                       |                            |                  |          |                 |                      |           | July 4,  | 1979          |
| 23.  | •                          | PROPOSED CASI    | NG AND   | CEMENTING       | PROGRA               | M         |  |               |
| SIZE OF HOLE                                   | SIZE OF CASING             | WEIGHT FER P     | 00т      | SETTING I       | ЕРТН                 |           | QUANTITY OF CEMEN                                |               |
| 12-1/2"  | 8-5/8"                     | 24#              |          | _180            | 1                    |           | 150 sx   |               |
| 7-7/8"   | 4-1/2"                     | 10.5#            |          | 6100            |                      |           | 700 sx in two                                    | stages        |
|  |                            | i                |          |                 |                      |           | •  |               |
| Dlan to dri                                    | ill with mud to            | i<br>test produ  | cina '   | formatio        | n. If                | produc    | tive, will set                                   |               |
| $A_{-}1/2^{\parallel}$ casi                    | ng, selectively            | , nerforat       | e. fr    | ac. clea        | n out a              | fter f    | rac, run 1-1/4                                   | " tubing.     |
| and complet                                    |                            | , periorae       | -, .,    | ,u              |                      |           |  | . ,,          |
| and compret                                    |                            |                  |          |                 |                      |           |  |               |

Plan to use BOP furnished by rig while drilling (10" 3000 psi hydraulic)

Plan to use BOP rental while completing (6" 3000 psi double gate manual)

nmerB: Las Deducated to El Pago

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 pre

| SIGNED THOMAS A DUGAN                        | Petroleum Engineer | 6-14-79 |
|--|--------------------|---------|
| (This space for Federal or State office use) |                    |         |
| PERMIT NO.                                   | APPROVAL DATE      |         |
| APPROVED BY                                  | TITLE              | DATE    |

|Edgar L. Risenhoover,

All distances must be from the outer boundaries of the Section Well Ho. Operator #1E Dugan Production Corporation Carpenter Hunge Unit Letter San Juan 14 West 30 North Actual Pootage Location of Well: 1480 Nor th feet from the line and feet from the Dedicated Acreace: Producing Formation Ground Level Elev. Dakota Basin Dakota 5495 320 36 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 dated by communitization, unitization, force-pooling, etc? If answer is "yes," type of consolidation Communitized Sept XX Yes If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use rever this form if necessary.). auniH2StTon3 uni No allowable will be assigned to the well until all interests have been consolidated (by com forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by sion. CERTIFICATION Carpenter Lease NM 0206994 I hereby certify that the information contained herein is true and complete to the best of my knowledge And belief. 1850 Nonie Thomas A. Dugai Nail Lease #NM 28761 Petroleum Engineer Dugan Production Corp. Date 6-14-79 · Sec. 25 Parthy plat was propried from field 18001 AND SHIP OF SHIP STANKS Hammer Lease Date Surveyed #NM 23072 June 7, 1979 1730 Registered Professional Engineer and or Land Surveyor