SUBMIT IN TRIPLICATES Form approved, Form 3160-3 5 BLM Budget Bureau No. 1004-0136 (Other instructions on reverse side) (December 1990) **UNITED STATES** Expires: December 31, 1991 1 FildEPARTMENT OF THE INTERIOR 5. LEASE DESIGNATION AND SERIAL NO. BUREAU OF LAND MANAGEMENT NM 10561 6. IF INDIAN, ALLOTTES OR TRIBS NAME APPLICATION FOR PERMIT TO DRILL OR DEEPEN 1a. TYPE OF WORK 7. UNIT AGREGMENT NAME DEEPEN [] DRILL 🗵 b. TTPE OF WELL MULTIPLE WELL BINGLE WELL X 8. FARM OR LEASE HAME WELL NO OTRE 2 WAME OF OPERATOR Atlantis #1 3797 9. ATTIBLE NO. Dugan Production Corp. 3. ADDRESS AND TELEPHONE NO. 30-045-29110 P.O. Box 420, Farmington, NM 87499 10. FIELD AND POOL, OR WILDCAY 505-325-1821 LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*) Basin Dakota 71599 11. MBC., T., R., M., OR MAK. AND SURVEY OR AREA 1640' FNL & 1110' FWL (SW/4 NW/4) Unit E, At proposed prod. sone Sec. 3, T30N, R14W, NMPM 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 12. COUNTY OR PARISH | 18. STATE approx. 6 miles north of Kirtland, NM 15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, PT 16. NO. OF ACRES IN LEASE 17. NO. OF ACRES ASSIGNED TO THIS WELL //320 320' 1397.16 (Also to nearest drig, unit line, if any) 18. DISTANCE FROM PROPOSED LOCATION* 75' from TO MEAREST WELL, DRILLING, COMPLETED, Proposed DPC' OR APPLIED FOR, ON THIS LEASE, FT. 19. PROPOSED DEPTH 20. BOTARY OR CARLE TOOLS 6060 Rotary 21. BLEVATIONS (Show whether DF, RT, GR, etc. 22. APPROX. DATE WORK WILL START® procedural roo 4 U 43 GFR 3105.3 5740' nd second pursue PROPOSED CASING AND CEMENTING PROGRAM WEIGHT PER POOT SETTING DEPTH "GENERAL QUARTITY OF CEMENT SIZE OF HOLE ORADE SIZE OF CASING 2001 12-1/4" 8-5/8" 24# 160 cu.ft. circ. to surface <u>4-1/2"</u> 10.5# 60601 <u>1573 cu.ft. circ. to surface</u> 7-7/8" Plan to drill a $12\frac{1}{4}$ " 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 4½", 10.5#, J-55 casing, selectively perforte, frac, clean out after frac and complete well. ; Note: Original APD rescinded. Resumbitted for reapproval with an updated plat and additional BOP information included. ... IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present ce ocations and measured and true vertical depths. Give blowou ent data on subsurf

proposal is to drill or deepen directionally, give pertin 3/9/94 Vice-President TITLE RIGNED Sherman E. Dugai (This space for Federal or State offic APPROVAL DATE Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which APR 20 1994 NACCO TITLE APPROVED BY *See Instructions On Reverse Side United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

P. O. BOX 2088 SANTA FE, NEW MEXICO 87501

RECEIVED Form C-102 BLM

All distances must be from the outer boundaries of the Section. Cherelos 94 MAR 14 A 7:39 1 Dugan Production Corporation Atlantis Unit Letter Section County Range san OZOnFARMINGTON, NM 30 North 14 West Actual Footage Location of Well: 1640 North West feet from the line and Icel from the Ground Level Elev. Producing Formation Pool Dedicated Acreages Dakota **Basin Dakota** 320 Acres 1. Outline the acreage dedicated to the subject well by colored pencil or hackure 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? If answer is "yes," type of consolidation ____To_be Communitized · X Yes ☐ No. 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. CERTIFICATION Dugan Prod. NM 57170 I hereby certify that the information comtained berein is true and complete to the 1640 Jim L. Position Geologist Dugan Production Corp. NM 10561 Dugan Prod. 3/9/94 SECTION June 28, 1988 Hegistered Professional Engineer

T31N DIAN RESERVATION T30N DUCAN PRODUCTION CORP Atlantis #1 Existing Roads Vicinity of nearest town or reference pt. approx. 6 miles North of Kirtland, NM Type of surface Other Ducan Production Corp Atlantis #1 Planned Access Road(s) Exhibit E Vicinity of nearest town or reference pt. approx. 6 miles North of Kirtland, NM Type of surface Other Other Waterbars	\$50 .0			سبدا وی	- /
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Reference map: USGS map Young's Lake Nacus W10015/7 5 1963 photorevised 1979			# Fence cuts		