

UNITED STATES DEPARTMENT OF THE INTERIOR GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL [X] DEEPEN [ ] PLUG BACK [ ]
b. TYPE OF WELL OIL WELL [ ] GAS WELL [X] OTHER [ ] SINGLE ZONE [X] 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 1190' FSL & 1500' FEL At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\* 5 miles north of Farmington city limits

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1190' FSL Sec. 11 (Also to nearest drlg. unit line, if any)

16. NO. OF ACRES IN LEASE 315.03

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. 300' SE of DPC's plugged Blazer #1

19. PROPOSED DEPTH 1895'

20. ROTARY OR CABLE TOOLS Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6045' GL

22. APPROX. DATE WORK WILL START\* ASAP

23. SUBJECT TO COMPLIANCE WITH PROPOSED CASING AND CEMENTING PROGRAM This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

Table with 5 columns: SIZE OF HOLE, SIZE OF CASING, WEIGHT PER FOOT, SETTING DEPTH, and volume (sx (cf)). Rows include 9-3/4" hole with 7" casing and 6-1/4" hole with 4-1/2" casing.

Plan to drill a 9-3/4" hole and set ±90' of 7" OD, 20#, J-55 surface casing; then plan to drill a 6-1/4" hole to total depth with gel-water-mud program to test Pictured Cliffs 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 MAY 16 1989 OIL CONSERVATION DIST. 8

\*Note: Notice of Staking originally submitted for Blazer #1, please note correction to Blazer #2.

ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive one. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout reventer program, if any.

SIGNED: Sherman E. Dugan, Vice-President, DATE: 3-17-89

PERMIT NO. APPROVAL DATE

APPROVED BY: APPROVAL DATE: APPROVED AS AMENDED MAY 16 1989

CONDITIONS OF APPROVAL, IF ANY: APPROVED BY: Joel Farrell, AREA MANAGER

\*See Instructions On Reverse Side

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**

**DISTRICT I**  
P.O. Box 1980, Hobbs, NM 88240

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

**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 Blazer			Well No. 2		
Unit Letter 0	Section 11	Township 30 North	Range 14 West	County NMPM San Juan				

Actual Footage Location of Well:  
1190 feet from the South line and 1500 feet from the East line

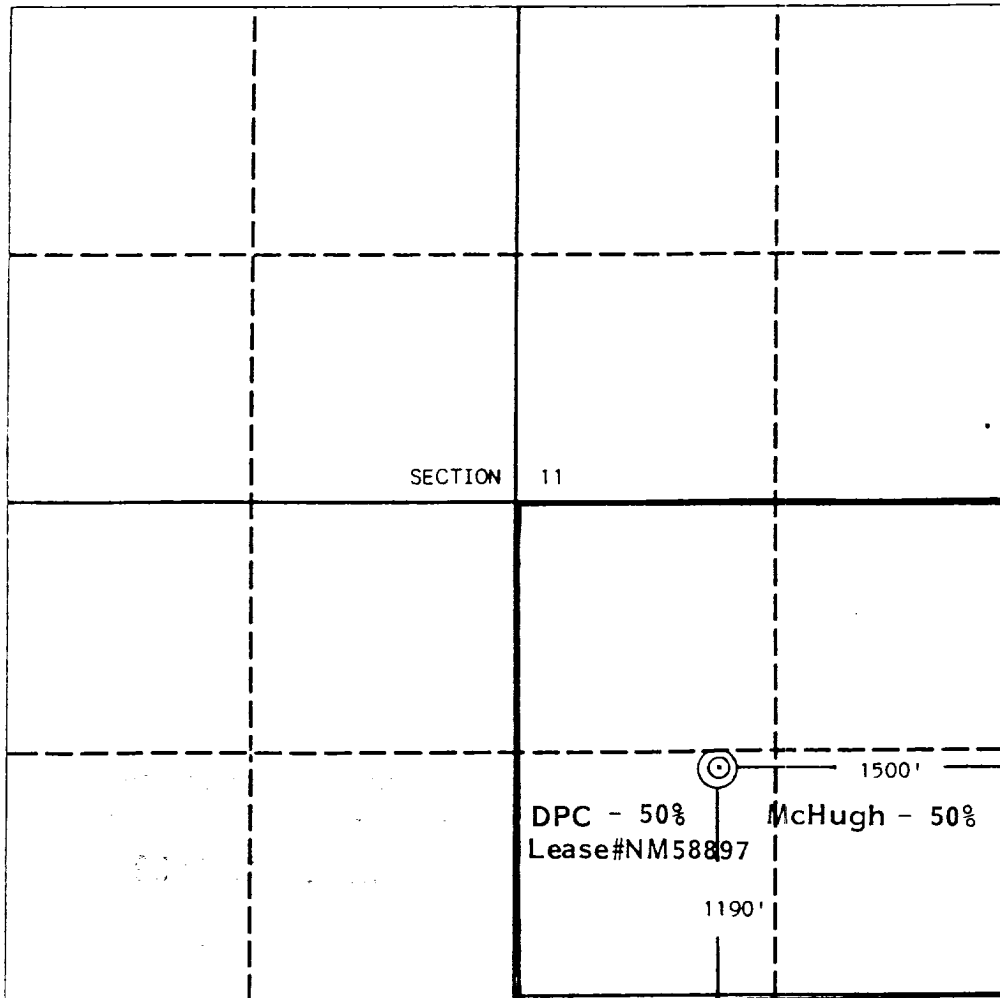
Ground level Elev. 6045	Producing Formation Pictured Cliffs	Pool Wildcat PC	Dedicated Acreage: 160 Acres
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- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- 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  
3-17-89

**SURVEYOR CERTIFICATION**

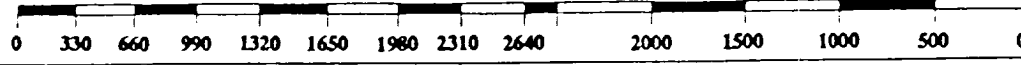
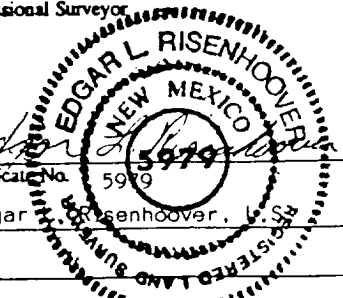
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

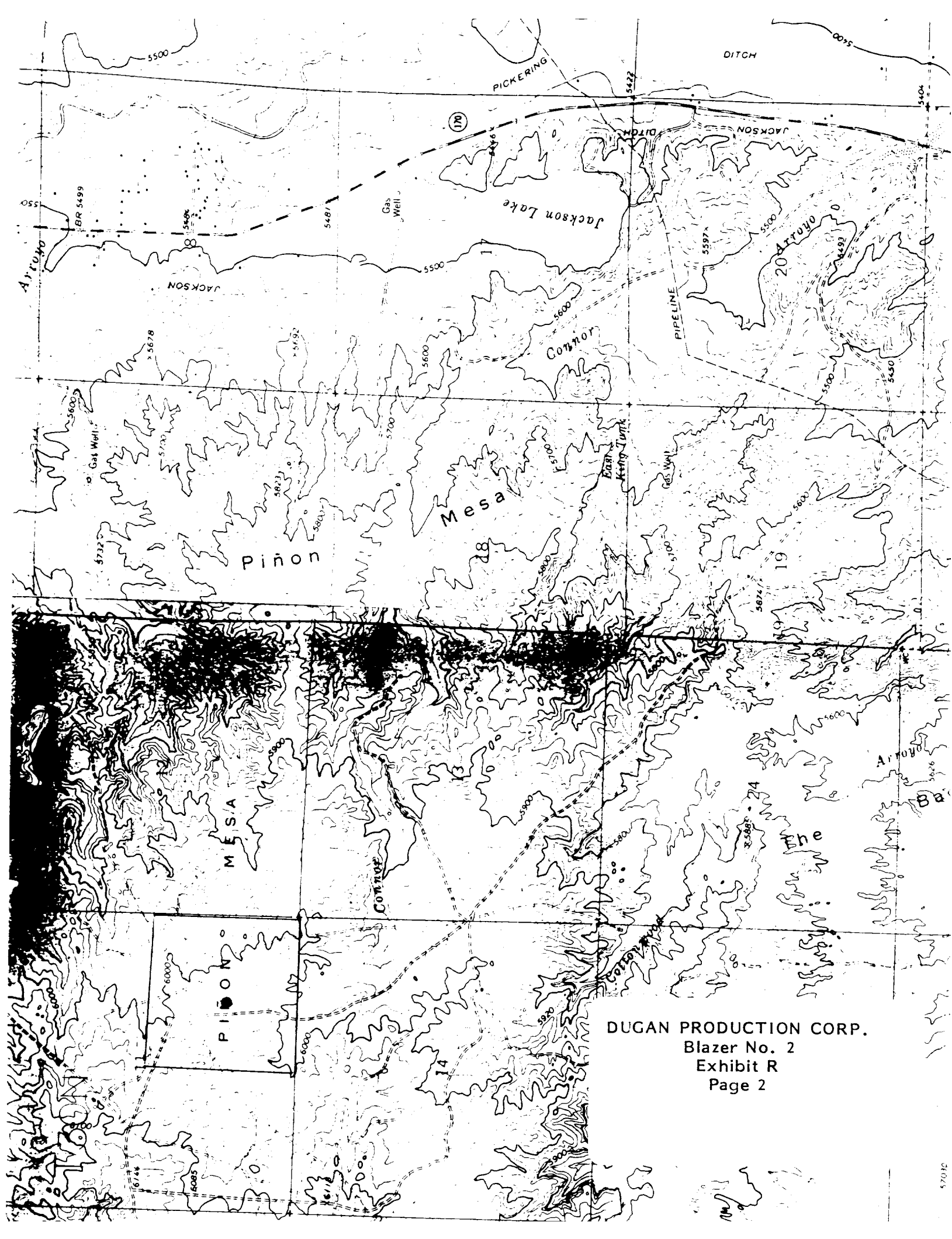
Date Surveyed  
March 3, 1989

Signature & Seal of Professional Surveyor  
*Edgar L. Risenhoover*

Certificate No. 5999

Edgar L. Risenhoover, L.S.





DUGAN PRODUCTION CORP.  
Blazer No. 2  
Exhibit R  
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