

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

## 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

P.O. Box 420, Farmington, NM 87499-

## 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*)

At surface

1850' FSL &amp; 790' FWL

At proposed prod. zone

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

approx. 5 miles north of Kirtland, New Mexico

15. DISTANCE FROM PROPOSED\* 790' FWL of Sec. 17  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drilg. unit line, if any)18. DISTANCE FROM PROPOSED LOCATION\* approx. 1 mile  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.  
east of DPC  
Turks Toast #121. ELEVATIONS (Show whether DF, RT, GR, etc.)  
5625' GL; 5637' RKB  
This action is subject to technical and  
procedural review pursuant to 43 CFR 3165.3  
and appeal pursuant to 43 CFR 3165.4

## 23. PROPOSED CASING AND DRILLING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8-5/8"	24#	200'	160 cu. ft. circ. to surface
7-7/8"	4-1/2"	10.5#	6035'	1593 cu. ft. circ. to surface

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

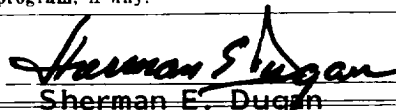
JUN 09 1989

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

  
Sherman E. Dugan

TITLE

Vice-President

DATE 3-15-89

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED  
AS AMENDED

APPROVED BY

TITLE

not warrant any right to  
holds logs, etc. rights  
or title to this lease.

\*See Instructions On Reverse Side

AREA MANAGER

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

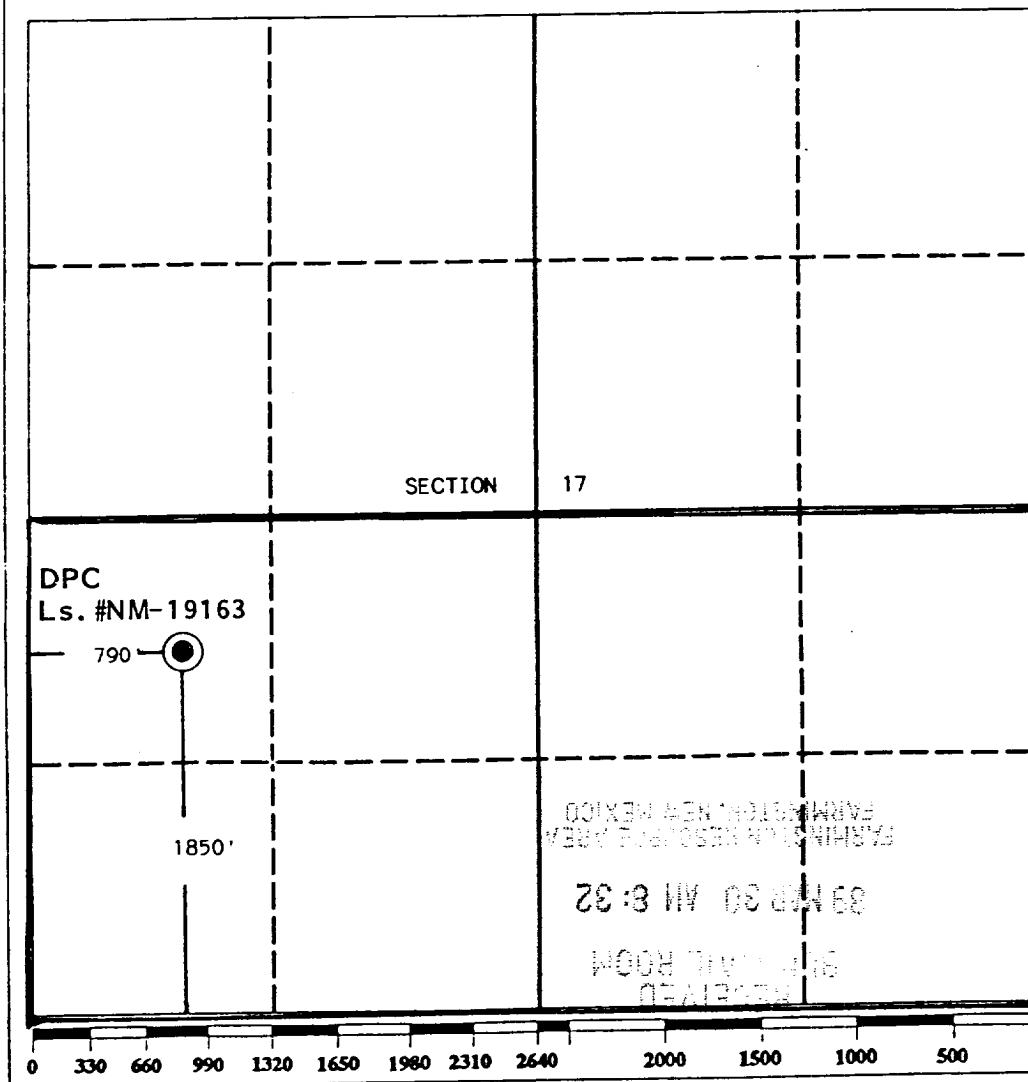
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Dugan Production Corporation			Lease Turks Toast		Well No 4
Unit Letter L	Section 17	Township 30 North	Range 14 West	County NMPM	San Juan
Actual Footage Location of Well: 1850 feet from the South line and 790 feet from the West line					
Ground level Elev. 5625	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 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 is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Sherman E. Dugan

Position

Vice-President

Company

Dugan Production Corp.

Date

3-15-89

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

Certificate No.

5975979

Edgar

Risenhoover, L.





dugan production corp.

January 17, 1990

New Mexico Oil Conservation Division  
1000 Rio Brazos Road  
Aztec, NM 87410

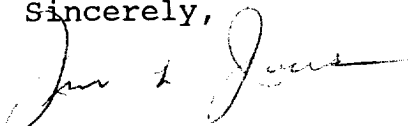
Re: **DUGAN PRODUCTION CORP.**  
Turks Toast #4  
1850' FSL & 790' FWL  
Sec. 17, T30N, R14W, NMPM  
San Juan County, NM

Gentlemen:

This is to certify that deviation tests were run on the captioned well and the following is a true report of those tests:

1/2° @ 100'	1-1/2° @ 1811'	0° @ 4280'
3/4° @ 228'	2° @ 2306'	1-3/4° @ 4776'
1-1/2° @ 724'	2° @ 2431'	2-1/2° @ 5303'
1-1/2° @ 879'	2° @ 2738'	2° @ 5798'
1-1/2° @ 1130'	1-1/4° @ 3234'	2° @ 6068'
1-1/2° @ 1377'	1° @ 3791'	

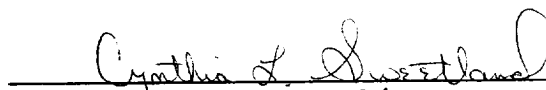
Sincerely,

  
Jim L. Jacobs

cg

State of New Mexico) ss  
County of San Juan )

Subscribed and sworn to before me this 17th day of January, 1990.

  
Notary Public

My Commission Expires: August 11, 1992.

**RECEIVED**  
JAN 23 1990  
OIL CON. DIV  
DIST. 3

5 BLM UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*  
(Other instructions on re-  
verse side)

Expires August 31, 1985

3. LEASE DESIGNATION AND SERIAL NO.

NM-19163

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Turks Toast

9. WELL NO.

4

10. FIELD AND POOL, OR WILDCAT

Basin Dakota

11. SEC., T., R., M., OR BLK. AND  
SURVEY OR AREA

Sec. 17, T30N, R14W, NMPM

12. COUNTY OR PARISH 13. STATE

San Juan

NM

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL ☐ GAS WELL ☒ OTHER

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.\*  
See also space 17 below.)  
At surface  
1850' FSL & 790' FWL

14. PERMIT NO.  
API#30-045-27360

15. ELEVATIONS (Show whether DF, RT, GR, etc.)  
5625' GL; 5637' RKB

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON\*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other) Spud & Surface Casing

(NOTE: Report results of multiple completion on Well  
Completion or Recompletion Report and Log form.)

REPAIRING WELL

ALTERING CASING

ABANDONMENT\*

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Moved in and rigged up Aztec Well Service Rig #124. Spudded 12-1/4" hole @ 2:00 P.M. 12-20-89. Drilled to 226' RKB. Ran 5 jts., 8-5/8" OD, 28#, 8 Rd, ST&C casing (T.E. 208.65') set @ 222' RKB. Cemented with 145 sks class "B" + 2% CaCl<sub>2</sub> (total cement slurry = 171 cu.ft.). P.O.B. @ 9:00 P.M. 12-20-89. Circulate 2 bbls good cement to surface. W.O.C.

Nippled up BOP. Pressure tested casing and BOP 800 psi for 30 minutes - held OK.

18. I hereby certify that the foregoing is true and correct

SIGNED

Jim L. Jacobs

TITLE

Geologist

DATE

12-26-89

(This space for Federal or State office use)

APPROVED BY

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

ACCEPTED FOR RECORD

FEB 05 1990

\*See Instructions on Reverse Side

FARMINGTON RESOURCE AREA

BY *[Signature]*

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN TRIPLICATE\*  
(Other instructions on reverse side)

Form approved  
Budget Bureau No. 1004-0135  
Expires August 31, 1985

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER	7. UNIT AGREEMENT NAME
2. NAME OF OPERATOR DUGAN PRODUCTION CORP.	8. FARM OR LEASE NAME Turks Toast
3. ADDRESS OF OPERATOR P.O. Box 420, Farmington, NM 87499	9. WELL NO. 4
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 1850' FSL & 790' FWL	10. FIELD AND POOL, OR WILDCAT Basin Dakota
14. PERMIT NO. API#30-045-27360	11. SEC., T., R., M., OR B.L.K. AND SURVEY OR AREA Sec. 17, T30N, R14W, NMPM
15. ELEVATIONS (Show whether DF, RT, GR, etc.) 5625' GL; 5637' RKB	12. COUNTY OR PARISH San Juan
	13. STATE NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
TEST WATER SHUT-OFF <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>
FRACURE TREAT <input type="checkbox"/>	FRACURE TREATMENT <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	(Other) T.D., 4 1/2" casing & cement <input checked="" type="checkbox"/>
(Other) <input type="checkbox"/>	(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directional, drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

T.D. 6068 reached on 1-3-90. Finished T.I.H. and conditioned mud for running casing. Laid down drill pipe and collars. Rigged up and ran 147 jts. 4-1/2" OD, 10.5#, J-55, 8 Rd, ST&C casing (T.E. 6070.46') set at 6066' RKB. Cemented 1st stage by pumping 10 bbls mud flush followed by 280 sx 50-50 pos + 2% gel and 12-1/2# gilsonite per sk and 1/4# celloflake per sk followed by 100 sks class "B" neat with 1/4# celloflake per sk. Reciprocated casing OK and had full mud returns while cementing. Went 2 bbls over calculated displacement and did not bump plug - float held OK. (Total cement slurry 1st stage = 546 cu.ft.). Dropped opening bomb. Opened stage tool @ 4040'. Circulated 2-1/2 hrs with rig pump. Cemented 2nd stage by pumping 10 bbls mud flush followed by 625 sks 65-35 plus 12% gel and 1/4# celloflake per sk followed by 125 sks class "B" plus 4% gel and 1/4# celloflake per sk (total cement slurry 2nd stage = 1575 cu.ft.). Total cement slurry both stages = 2121 cu.ft. Had full returns while cementing. Circulated 10 bbls cement to surface. Closed stage tool with 2500 psi - held OK. Job complete @ 8:15 P.M. 1-3-90. Nipped down BOP, set 4-1/2" casing slips, cut off casing and released rig @ 10:00 P.M. 1-3-90.

18. I hereby certify that the foregoing is true and correct

SIGNED Jim L. Jacobs TITLE Geologist DATE 1-5-90  
(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE FEB 05 1990  
CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

FARMINGTON RESOURCE

BY Jim L. Jacobs

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.

NM-19163

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Turks Toast

9. WELL NO.

4

10. FIELD AND POOL, OR WILDCAT

Basin Dakota

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec. 17, T 30N, R 14W, NMPM

12. COUNTY OR PARISH

San Juan

13. STATE

NM

19. ELEV. CASINGHEAD

5625'

23. INTERVALS DRILLED BY

T.D.

CABLE TOOLS

25. WAS DIRECTIONAL SURVEY MADE

no

27. WAS WELL CORRED  
no

WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ Other

b. TYPE OF COMPLETION: NEW WELL ☒ WORK OVER ☐ DEEP EN ☐ PLUG BACK ☐ DIFF. ENV. ☐ Other

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 1850' FSL & 790' FWL

At top prod. interval reported below

At total depth

14. PERMIT NO.

API #30-045-27360

DATE ISSUED

6-2-89

15. DATE SPUDDED

12-20-89

16. DATE T.D. REACHED

1-3-90

17. DATE COMPL. (Ready to prod.)

1-15-90

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\*

5625' GL; 5637' RKB

20. TOTAL DEPTH, MD & TVD

6068'

21. PLUG, BACK T.D., MD & TVD

5997'

22. IF MULTIPLE COMPL., HOW MANY\*

23. INTERVALS DRILLED BY

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*

5793-5933 - Dakota

25. WAS DIRECTIONAL SURVEY MADE

no

26. TYPE ELECTRIC AND OTHER LOGS RUN

Induction Guard Log, Compensated Density DSN II, GR-CCL

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8" OD	28#	222'	12-1/4"	171 cu.ft. (145 sx class "B" + 2% CaCl <sub>2</sub> )	
4-1/2" OD	10.5#	6066'	7-7/8"	2121 cu.ft. in 2 stages (1st stage	
w/ 280 sx 50-50 pos+2% gel & 12 1/2# gilsonite/sk & 1/4# celloflake/sk & 100 sx class "B" neat w/ 1/4# celloflake/sk [546 cf]. 2nd stage w/ 625 sx 65-35+12% gel & 1/4# celloflake/sk & 125 sx class "B" +					

29. 4% gel & 1/4# celloflake/sk LINER RECORD [1575 cf].

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					1 1/4"	5838'	

31. PERFORATION RECORD (Interval, size and number)

5916, 19, 22, 25, 29, 33 (6 holes) and 5862, 44, 40, 21, 20, 19, 18 w/ 1 JSPF - 0.34" holes & 5793, 94, 95, 96, 97, 98, 99, 5800, 01, 02, w/ 2 JSPF (33 total perforations).

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
5793-5933	300 gals 15% HCL
	81,400 gals cross link gel
	96,140 lbs 20-40 sand
	20,920 lbs 12-20 sand

33.\* PRODUCTION

DATE FIRST PRODUCTION 1-22 90		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) Flowing				WELL STATUS (Producing or shut-in) producing	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD →	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
FLOW. TUBING PRESS.	CASING PRESSURE SI 1750	CALCULATED 24-HOUR RATE →	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.) ACCEPTED FOR RECORD	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Sold

TEST WITNESSED BY

FEB 06 1990

35. LIST OF ATTACHMENTS

Note: Completed gas well flowing to sales line for test.

36. I hereby certify that the foregoing and attached information is complete and correct as determined by the BUREAU OF LAND MANAGEMENT

SIGNED

Jim L. Jacobs

Geologist

BY

DATE

1-22-90

\*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
				Fruitland	524'	
				Pictured Cliffs	1143'	
				Lewis	1267'	
				Cliff House	2672'	
				Menefee	2820'	
				Point Lookout	3586'	
				Mancos	3957'	
				Gallup	4926'	
				Greenhorn	5687'	
				Graneros	5744'	
				Dakota	5790'	