

5- BLM
1- FileSUBMIT IN TRIPPLICATE*
(Other instructions on
reverse side)Form approved.
Budget Bureau No. 42-21426.UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

30-045-28291

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1A. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>				5. LEASE DESIGNATION AND SERIAL NO. NM-4465	
B. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR DUGAN PRODUCTION CORP. 6515				7. UNIT AGREEMENT NAME	
3. ADDRESS OF OPERATOR P.O. Box 420, Farmington, NM 87499				8. FARM OR LEASE NAME Mayre 3758	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*) At surface 805' FSL & 1490' FWL At proposed prod. zone				9. WELL NO. 90	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* approx. 0.2 miles North of Kirtland, New Mexico				10. FIELD AND POOL, OR WELDCAT Twin Mounds Pic. Cliffs	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 805'		16. NO. OF ACRES IN LEASE 320 483.88		17. NO. OF ACRES ASSIGNED TO THIS WELL 160 57	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. approx. 362' from DPC's Mayre		19. PROPOSED DEPTH 760'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether D.P., F.S., or G.S.) 5325' GL				22. APPROX. DATE WORK WILL START* ASAP	
23. PROPOSED CASING AND CEMENTING PROGRAM This action is subject to technical and#2 procedural review pursuant to 43 CFR 3163.3 and appeal pursuant to 43 CFR 3163.4.				24. APPROX. DATE WORK WILL START* ASAP	
DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED GENERAL REQUIREMENTS					
SIZE OF HOLE		SIZE OF CASING		SETTING DEPTH	
9-7/8"		7"		90'	
6-1/4"		4-1/2"		760'	
		WEIGHT PER FOOT		GENERAL REQUIREMENTS	
		20#		40 sx (48 c.f.) circ. to surf.	
		10.5#		75 sx (112 c.f.) circ. to surf.	

Plan to drill a 9-7/8" 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

OCT 1 1990

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.

SIGNED Sherman E. Dugan TITLE Vice-President DATE 8-31-90
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

APPROVED BY _____ TITLE _____
CONDITIONS OF APPROVAL, IF ANY:

NMOCD

*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

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

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

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

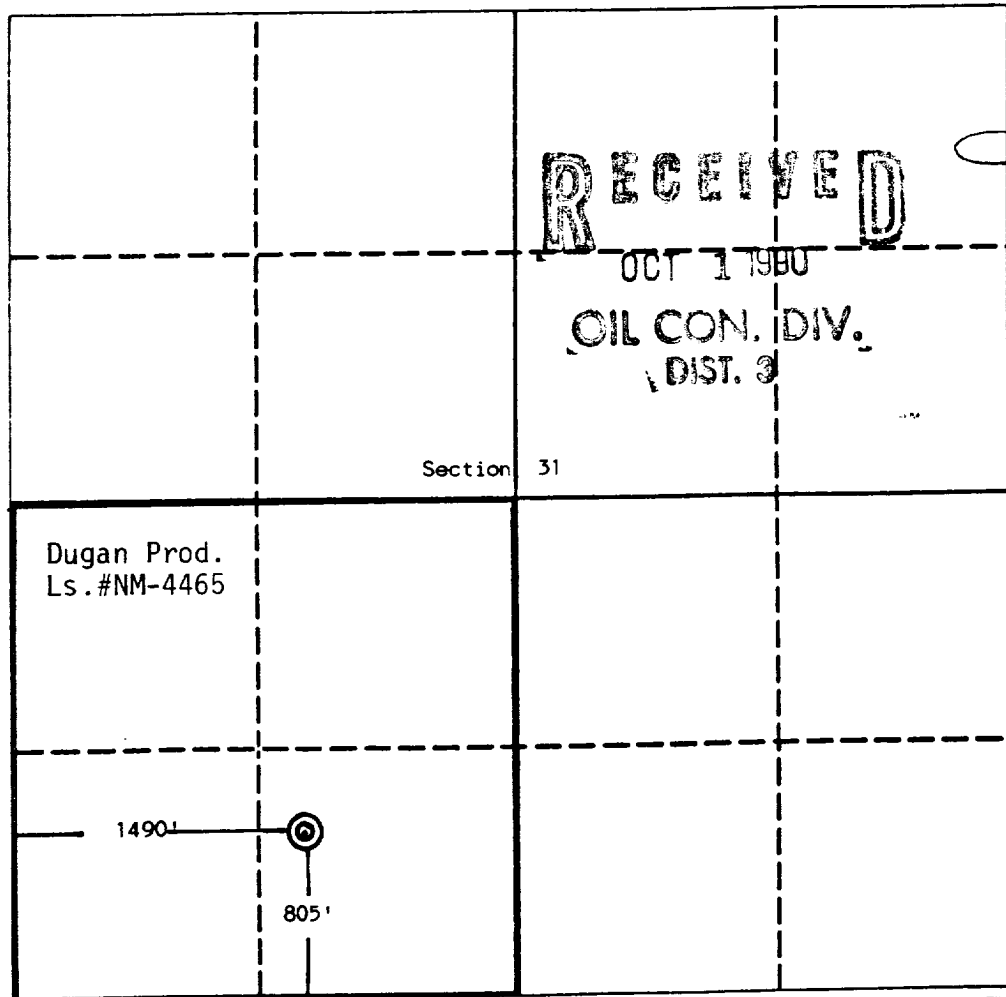
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator Dugan Production Corporation			Lease Mayre		Well No. 90
Unit Letter N	Section 31	Township 30 North	Range 14 West	County San Juan	NMPM
Actual Footage Location of Well: 805 feet from the South line and 1490 feet from the West line					
Ground level Elev. 5325	Producing Formation Pictured Cliffs	Pool Twin Mounds, Pictured Cliffs	Dedicated Acreage: 160.77 Acres		

- Outline the acreage dedicated to the subject well by colored pencil or hatchure 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 is true and complete to the best of my knowledge and belief.

Signature
Sherman E. Dugan

Position
Vice-President

Company
Dugan Production Corp.

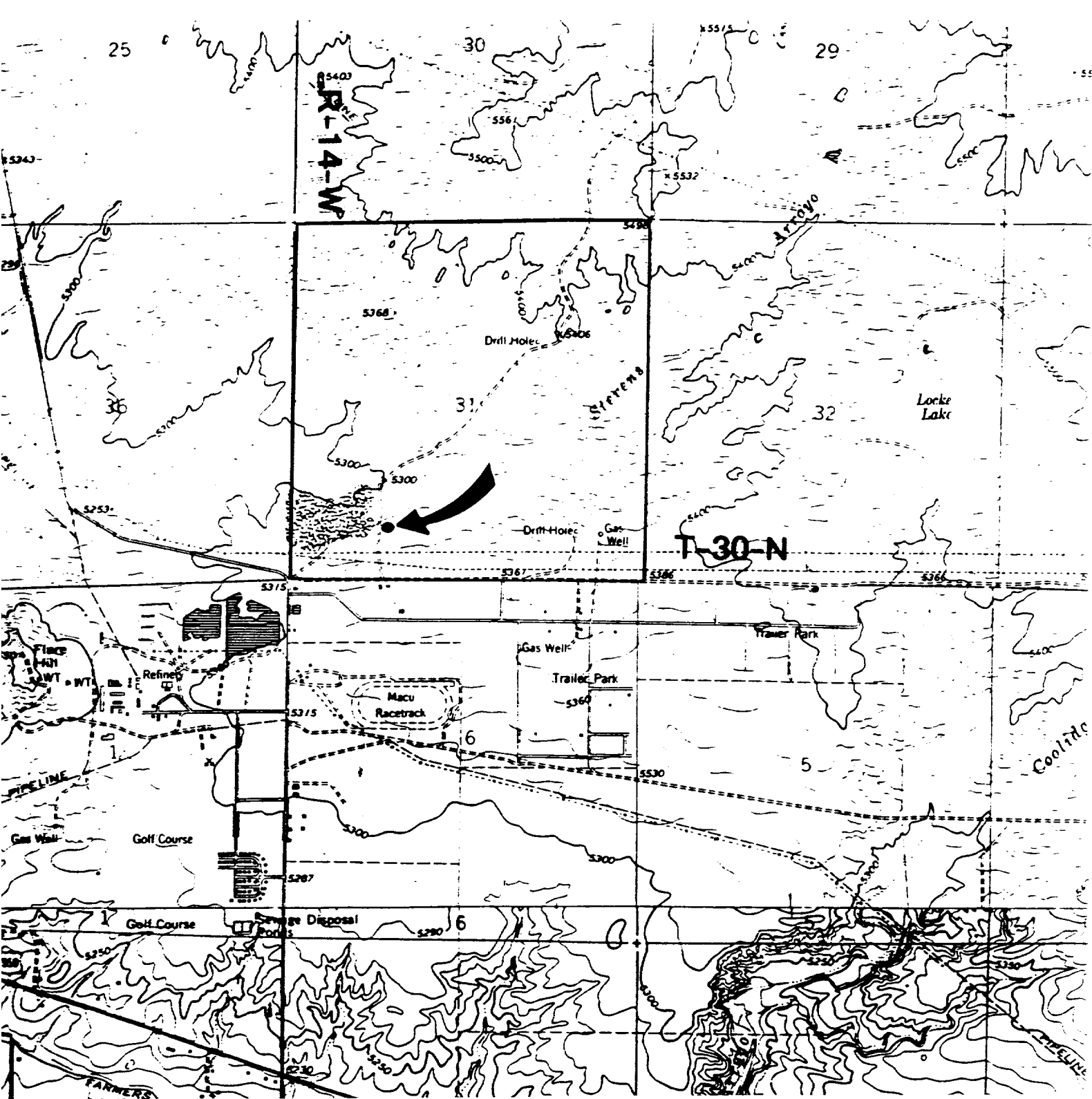
Date
8-31-90

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
August 9, 1990

Signature & Seal of Professional Surveyor
Edgar L. Risenhoover, R.S.
NEW MEXICO
3979



DUGAN PRODUCTION CORP. - Mayre #90

Existing Roads Exhibit E

Vicinity of nearest town or reference pt.
approx. 0.2 miles North of Kirtland, NM

Type of surface dirt

Conditions good

Other _____

Reference map: USGS map

Youngs Lake, NM; 1963; photo revised
 1070

Planned Access Road(s) Exhibit E

Width _____ Maximum grades _____

Drainage design _____

Cuts & Fills _____

Surfacing material _____

Turnouts

Culverts

Gates

Cattleguards

Fence cuts

Waterbars

NO NEW ACCESS
 ROAD REQUIRED

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