

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

b. TYPE OF WELL

Oil ☐
Well ☐

Gas ☒
Well ☒ Other ☐

SINGLE ☒
ZONE ☒

MULTIPLE ☐
ZONE ☐

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325-1821

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

At surface 1735' FNL & 1010' FWL

At proposed prod. zone

5. LEASE DESIGNATION AND SERIAL NO.

NM-0206995

6. IF INDIAN, ALLOTTED OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Jiggs #1

25879

9. API Well No.

30-045-30183

10. FIELD AND POOL, OR WILDCAT

Harper Hill FrSd/PC

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

Sec. 35-T30N-R14W

E

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

Approx. 2 mi NW of Circle S Store Hwy #170

12. COUNTY OR PARISH

San Juan

13. STATE

NM

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drig. unit line, if any)

1010'

16. NO. OF ACRES IN LEASE

1,008.52

17. NO. OF ACRES ASSIGNED
TO THIS WELL

160

N 1/4

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

Approx 950'
from DPC
P&A'd well

19. PROPOSED DEPTH

1280'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether OF, RT, GR, etc.)

GL 5557'

22. APPROX. DATE WORK WILL START*

ASAP

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADES, SIZES OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
9-7/8"	7"	20#	120'	50 sx (59 cu.ft.) circ. to surf.
6-1/4"	4 1/2"	10.5#	1280'	130 sx (215 cu.ft.) circ. to surf.

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4.

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS"

Plan to drill a 9-7/8" hole and set 120' 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 the Fruitland Sand/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.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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

Charlie Beecham

Title Vice-President

Date 3/3/2000

(This space for Federal or State office use)

PERMIT NO.

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 would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

Approved by */s/ Charlie Beecham* Title

Team Lead, Petroleum Engineering

Date

4

*See Instructions on Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

OK *[Signature]*

[Signature]

NMOC

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-045-30183		2 Pool Code 78160 -		3 Pool Name Harper Hill Fruitland Sand/PC	
4 Property Code 25879		5 Property Name Jiggs			6 Well Number 1
7 OGRID No. 006515		8 Operator Name Dugan Production Corporation			9 Elevation 5557'

10 Surface Location

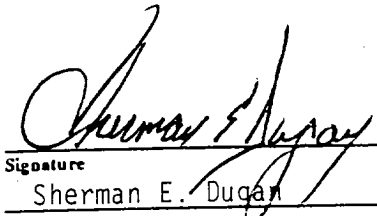

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	35	30N	14W	E	1735	North	1010	West	San Juan

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 1.60 NW/4	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<div>16</div> <div>1735'</div> <div>NM-0206995 DPC-100%</div> <div>1010'</div> <div>Section 35</div>	<div>17 OPERATOR CERTIFICATION</div> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <div> Signature Sherman E. Dugan Printed Name Vice-President Title March 3, 2000 Date</div>	
	<div>18 SURVEYOR CERTIFICATION</div> <p>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 belief.</p> <div>February 7, 2000 Date of Survey Signature of Professional Surveyor:  Edgar L. Risenhoover, PS #5979 Certificate Number</div>	

cement job. The log will be sent to the BLM after completion of the job.

WELLHEAD EQUIPMENT:

Huber 7" x 4-1/2" casing head, 1000#WP, tested to 2000#

Huber 4-1/2" x 2-7/8" tubing head, 1000# WP, tested to 2000#

BOP and Related Equipment will include for a 2000 psi system:

No abnormal pressures or hazardous zones are anticipated.

Annual preventer, double ram, or 2 rams with one being blind and one being a pipe ram

Kill line (2" minimum)

1 kill line valve (2" minimum)

1 choke line valve

2 chokes

Upper kelly cock valve with handle available

Safety valve and subs to fit all drill string connections in use

Pressure gauge on choke manifold

2" minimum choke line

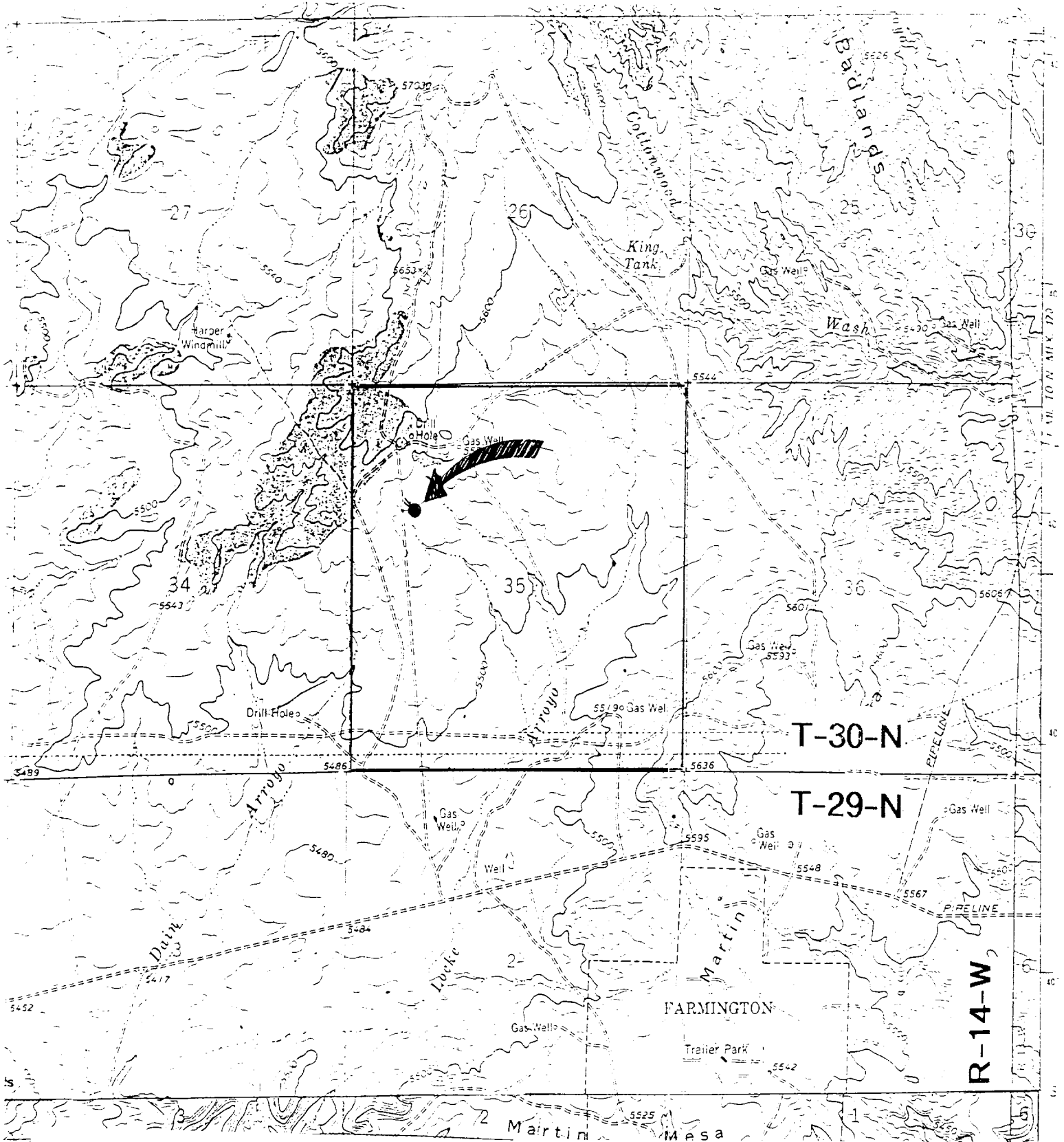
Fill-up line above the uppermost preventer

BOP equipment will be tested as required in Section III A.1 of Onshore Order 2, plus a 30% safety factor.

The anticipated bottom hole pressure for this well is estimated to be approximately 300 psi.

The average mud weight is anticipated to be in the range of 8.6 to 9.5 lb/gal.

Dugan Prod.Corp. Office & Radio Dispatch:	325-1821
Kurt Fagrelus	325-4327
John Alexander 325-6927	Mark Brown 327-3632
Sherman Dugan 327-3121	John Roe 326-1034



Existing Roads Jiggs #1 Exhibit E
 Dugan Production Corp.
 Vicinity of nearest town or reference pt.
 Approx 1½ mi W of Circle S Store on Hwy 170
 & Co. Rd. 6480
 Type of surface dirt
 Conditions good
 Other _____
 Reference map: USGS map Youngs Lake, NM

Planned Access Road(s) Exhibit E
 Width 20' Maximum grades 1%
 Drainage design as required
 Cuts & Fills as required
 Surfacing material none
☒ Turnouts ☐ Waterbars
☐ Culverts ☐
☒ Gates ☐ Access Road & Pipeline
☐ Cattleguards ☐
☐ Fence cuts ☐

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