

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised March 17, 1999

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Dugan Production, Corp. P.O. Box 420 Farmington, NM 87499		² OGRID Number 006515
³ Property Code 3850	⁴ Property Name State Com	⁵ API Number 30-04531270
		⁶ Well No. 905

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North-South line	Feet from the	East-West line	County
E	16	32N	12W		1940	North	1270	West	San Juan

⁸ Proposed 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
⁹ Proposed Pool 1 Basin Fruitland Coal									
¹⁰ Proposed Pool 2									

¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 6044
¹⁶ Multiple N	¹⁷ Proposed Depth 1850'	¹⁸ Formation Fruitland Coal	¹⁹ Contractor	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight foot	Setting Depth	Sacks of Cement	Estimated TOC
11"	8-5/8"	23 #	120'	70 cu. ft.	Surface
7"	5-1/2"	14 #	1850'	300 cu. ft.	Surface

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone.
Describe the blowout prevention program, if any. Use additional sheets if necessary.

A water-based gel mud will be used to drill surface and production casing holes. A standard 2,000 psi blow out preventer will be used while drilling production casing hole. The Fruitland Coal interval will be completed from approximately 1495' to 1695'. The interval will be fracture stimulated.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: Kurt Fagrelius
Printed name: Kurt Fagrelius
Title: Geologist

Date: 11-15-02

Phone: 505-325-1821

OIL CONSERVATION DIVISION

Approved by:

Title: DEPUTY OIL & GAS INSPECTOR, DIST. 42

Approval Date: NOV 15 2002

Expiration Date: NOV 15 2003

Conditions of Approval:

Attached ☐

Measurements and dimensions are to be in feet/inches. Well locations will refer to the New Mexico Principal Meridian.

IF THIS IS AN AMENDED REPORT CHECK THE BOX LABELED "AMENDED REPORT" AT THE TOP OF THIS DOCUMENT.

- 1 Operator's name and address.
- 2 Operator's OGRID number. If you do not have one, it will be assigned and filled in by the District office.
- 3 API number of this well. If this is a new drill the OCD will assign the number and fill this in.
- 4 Property code. If this is a new property the OCD will assign the number and fill it in.
- 5 Property name that used to be called 'well name'.
- 6 The number of this well on the property.
- 7 The surveyed location of this well New Mexico Principal Meridian. NOTE: If the United States government survey designates a Lot Number for this location use that number in the 'UL or lot no.' box. Otherwise use the OCD Unit Letter.
- 8 The proposed bottom hole location of this well at TD.
- 9 and 10 The proposed pool(s) to which this well is being drilled.
- 11 Work type code from the following table:

N	New well
E	Re-entry
D	Drill deeper
P	Plugback
A	Add a zone
- 12 Well type code from the following table:

O	Single oil completion
G	Single gas completion
M	Miscellaneous
I	Injection well
S	SWD well
W	Water supply well
C	Carbon dioxide well
- 13 Cable or rotary drilling code

C	Propose to cable tool drill
R	Propose to rotary drill
- 14 Lease type code from the following table:

S	State
P	Private
- 15 Ground level elevation above sea level.
- 16 Intend to multiple complete? Yes or No. Attach intended well bore diagram.
- 17 Proposed total depth of this well.
- 18 Geologic formation at TD.
- 19 Name of the intended drilling company if known.
- 20 Anticipated spud date.
- 21 Proposed hole size ID inches, proposed casing OD inches, casing weight in pounds per foot, setting depth of the casing or depth and top of liner, proposed cementing volume, and estimated top of cement.
- 22 Brief description of the proposed drilling program and BOP program. Attach additional sheets if necessary.
- 23 The signature, printed name, and title of the person authorized to make this report. The date this report was signed and the telephone number to call for questions about this report.

District I
PO Box 1980, Hobbs, NM 88241-1980

State OF NEW MEXICO
Energy, Minerals & Natural Resources Department

Form O-102

Revised February 21, 1994

District II
PO Drawer 00, Artesia, NM 88211-0719

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

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

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

District IV
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-31270	² Pool Code 71629	³ Pool Name BASIN FRUITLAND COAL
⁴ Property Code 3850	⁵ Property Name STATE COM	⁶ Well Number 90S
⁷ GRID No. 006515	⁸ Operator Name DUGAN PRODUCTION CORPORATION	⁹ Elevation 6044'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County
E	16	32N	12W		1940	NORTH	1270	WEST	SAN JUAN

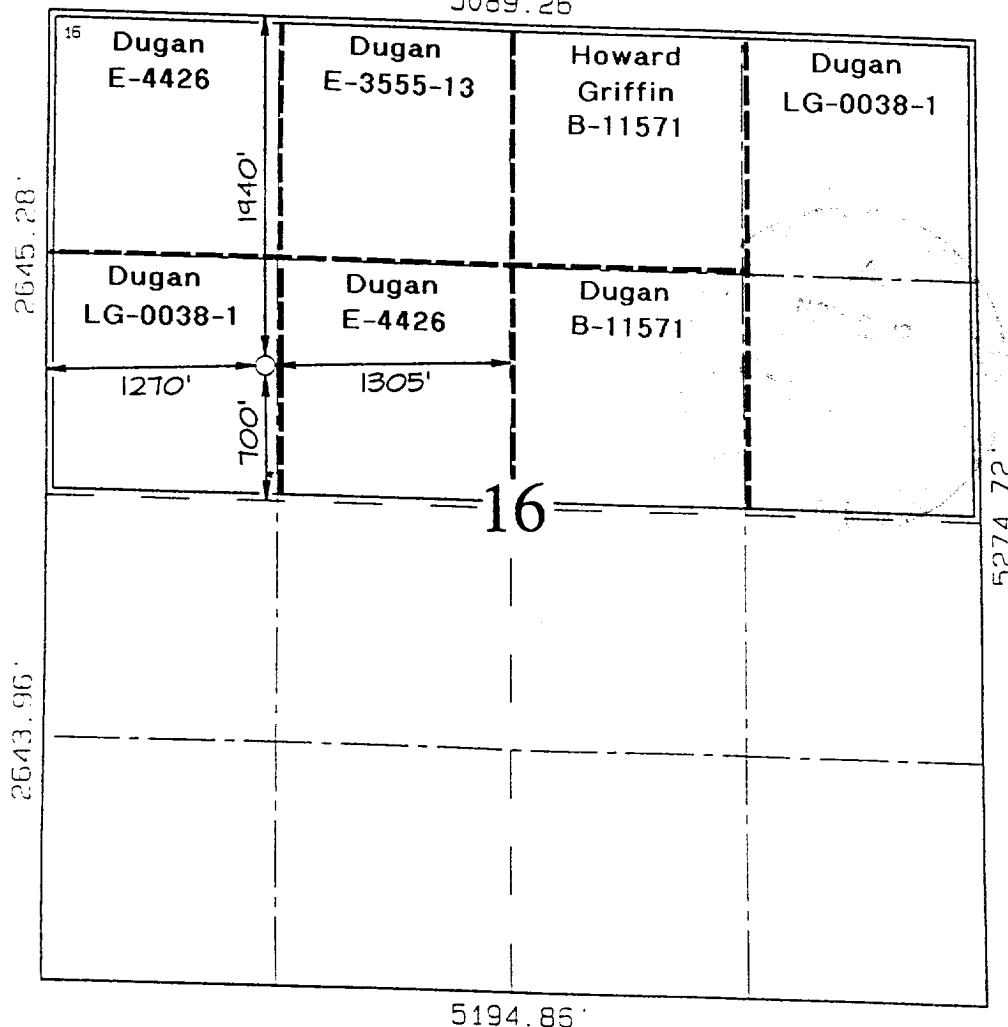
¹¹ Bottom Hole Location If Different From Surface

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

¹² Dedicated Acres 320.0 Acres - (N/2)	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

5089.26'



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Kurt Fagrelus

Signature

Kurt Fagrelus

Printed Name

Geologist

Title

11-15-02

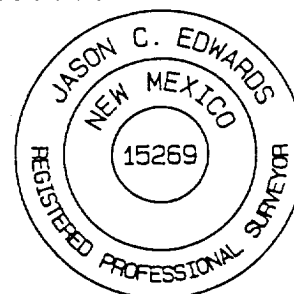
Date

¹⁸ 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 belief.

Survey Date: *NOVEMBER 15, 2002*

Signature and Seal of Professional Surveyor



JASON C. EDWARDS

Certificate Number

15269

DUGAN PRODUCTION CORPORATION STATE COM #90S

1940' FNL & 1270' FWL, SECTION 16, T32N, R12W, N.M.P.M.
SAN JUAN COUNTY, NEW MEXICO

