

will file

dugan production corp.

December 20, 1982

Minerals Management Services
Attn: District Supervisor
P. O. Drawer 600
Farmington, New Mexico 87499

Re: Application to Vent Casinghead Gas
Dugan Production Corp.
Strawberry No. 1
Lease No. NW 28733
NW/4 SW/4 Sec. 3, T23N, R6W
Counselors G allup Field
Rio Arriba County, New Mexico

RECEIVED
JAN 5 1983
OIL CON. DIV.
DIST. 3

Gentlemen:

We are hereby making application to vent approximately 5.6 MCF per day (6.7 million BTU's) of casinghead gas from the captioned well. The Strawberry #1 was completed November 20, 1982 testing a daily rate of 204 BOPD, 225 BLWPD plus 135 MCFD at 0 psi flowing tubing pressure. The casinghead gas is dedicated to El Paso Natural Gas Company and there is a pipeline approximately 500' to the east. We are currently negotiating with El Paso to obtain a pipeline connection for the Strawberry #1 and would anticipate obtaining a connection in the very near future.

However, considering the existing market conditions, El Paso has not committed to a connection date. Until a pipeline connection can be secured we plan to produce the Strawberry #1 for 1 hour per day on a time cycle controller in order to minimize the venting of casinghead gas. This will result in the production of approximately 8.5 BOPD (49.3 million BTU's) plus the venting of approximately 5.6 MCFD (6.72 million BTU's).

In view of the existing market conditions we request approval to vent a minor amount of gas for a one year period which should allow sufficient time for a pipeline connection to be obtained.

Sincerely,

John D. Roe

John D. Roe
John D. Roe
Petroleum Engineer

John D. Roe
mba

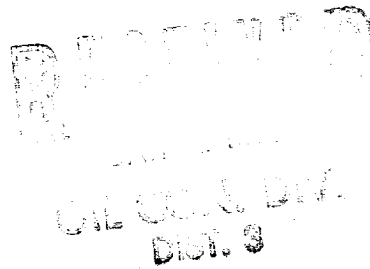
*W. J. ... 1982 ...
... pipeline complete.*

duan production co.

December 14, 1982

Minerals Management Service
Attn: District Supervisor
P. O. Drawer 99
Farmington, New Mexico 87401

Re: Application to Vent Casinghead Gas from
Strawberry #1 Well
Section 3, T23N, R4E
Counselors Gallup Field
Rio Arriba County, New Mexico



Gentlemen:

We are hereby making application to vent approximately 5.6 MCF per day (6.7 million BTU's) of casinghead gas from the captioned well. The Strawberry #1 was completed November 20, 1982 testing a daily rate of 204 BOPD, 225 BLWPD plus 135 MCFD at 0 psi flowing tubing pressure. The casinghead gas is dedicated to El Paso Natural Gas Company and there is a pipeline approximately 500' to the east. We are currently negotiating with El Paso to obtain a pipeline connection for the Strawberry #1 and would anticipate obtaining a connection in the very near future.

However, considering the existing market conditions, El Paso has not committed to a connection date. Until a pipeline connection can be secured we plan to produce the Strawberry #1 for 1 hour per day on a time cycle controller in order to minimize the venting of casinghead gas. This will result in the production of approximately 8.5 BOPD (49.3 million BTU's) plus the venting of approximately 5.6 MCFD (6.72 million BTU's).

In view of the existing market conditions we request approval to vent a minor amount of gas for a one year period which should allow sufficient time for a pipeline connection to be obtained.

Sincerely,

John D. Roe
Petroleum Engineer

*Approved and submitted to the State of New Mexico
for regulatory compliance.*

John D. Roe

nsa

NMOCED