

DISTR. I
P.O. Box 1988, Hobbs, NM 88241-1988

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-136
Originated 12/23/91

DISTR. II
P.O. Drawer DD, Artesia, NM 88211-4719

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

Submit original and 4 copies to the
appropriate district office.

DISTR. III
1000 Rio Brator Road, Aztec, NM 87410

APPLICATION FOR APPROVAL TO USE AN ALTERNATE GAS MEASUREMENT METHOD
Rule 403.B(1) or (2)

Operator Name: Dugan Production Corp. Operator No. 325-1821
Operator Address: P.O. Box 420, Farmington, NM 87499
Lease Name: Strawberry Well No. 1 Type: State Federal X Fee
Location: Unit L, Sec. 3, T23N, R6W, Rio Arriba County, NM NM-28733
Pool: Counselors Gallup Dakota Pool
Requested Effective Time Period: Beginning 11-1-92 Ending indefinite

APPROVAL PROCEDURE: RULE 403.B.(1)

Please attach a separate sheet with the following information.

- 1) A list of the wells (including well name, number, ULSTR location, and API No.) included in this application.
- 2) A one year production history of each well included in this application (showing the annual and daily volumes).
- 3) The established or agreed-upon daily producing rate for each well and the effective time period.
- 4) Designate wells to be equipped with a flow device (required for wells capable of producing 5 MCF per day or more).
- 5) The gas transporter(s) connected to each well.

APPROVAL PROCEDURE: RULE 403.B.(2)

Please attach a separate sheet with the following information.

A separate application is required for each Central Point Delivery (CPD).

Working interest, royalty and overriding royalty ownership must be common for all wells to be connected to the subject CPD.

- 1) An ownership plat showing a description of the lease and all of the wells to be produced through this CPD.
 - a) List the wells which will be metered separately, including API No.
 - b) List the wells which will not be metered separately, including API No.
- 2) Describe the proposed method of allocating production from non-metered wells.
- 3) A one year production history of the wells which will not be metered showing the annual and daily volumes.
- 4) The gas transporter(s) connected to this CPD.

RECEIVED
OCT 19 1992
OIL CON. DIV.
DIST. 3

Applicant will be responsible for filing OCD Form C-111 for the CPD.

OPERATOR

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: Jim L. Jacobs

Printed Name & Title: Jim L. Jacobs, V.P.

OIL CONSERVATION DIVISION

This approval may be cancelled at anytime that operating conditions indicate that re-tests may be necessary to prevent waste and protect correlative rights.

Approved Until: Further notice

By: Original Signed by FRANK T. CHAVEZ

Title: SUPERVISOR DISTRICT # 3

APPLICATION FOR APPROVAL TO USE AN ALTERNATE GAS MEASUREMENT METHOD
ATTACHMENT NO. 1

APPROVAL PROCEDURE: RULE 403.B(1)

- 1.) A list of the wells (including well name, number, ULSTR location, and API No.) included in this application.

Strawberry #1
Unit L, Section 3, T23N, R6W, Rio Arriba County, NM
API# 30-039-23076

- 2.) A one year production history of each well included in this application (showing the annual and daily volumes).

1991 Annual Production – 5011 MCF
1991 Avg. Daily Production – 13.95 MCFD

- 3.) The established or agreed upon daily producing rate for each well and the effective time period.

12.96 MCFD (Agreed Volume Daily Rate)
Beginning approx. 11-1-92, Ending – indefinite

- 4.) Designate wells to be equipped with a flow device (required for wells capable of producing 5 MCF per day or more).

Strawberry #1

- 5.) The gas transporter(s) connected to each well.

El Paso Natural Gas Company

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

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

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district office

PERMIT TO TRANSPORT RECOVERED LOAD OIL

(NOTE: Required only when load oil was obtained from source other than lease on which used.)
(See Rule 508, 1104, and 1126)

RECOVERED LOAD OIL

Operator DUGAN PRODUCTION CORP.		Address P.O. BOX 420, FARMINGTON, NM 87499-0420	
Lease Name Strawberry	Well No. 1	Pool Counselors Gallup Dakota	County Rio Arriba
Location L 03 23N 06W		Transporter Giant Industries	

BBLS LOAD OIL RECOVERED

20

SOURCE OF LOAD OIL

PURCHASED OIL

BARRELS PURCHASED 20	DATE PURCHASED 03/29/98
PURCHASED FROM Giant Refining	ADDRESS P. O. Box 12999, Scottsdale, AZ 85267

BARRELS PURCHASED	DATE PURCHASED
PURCHASED FROM	ADDRESS

OIL TRANSFERRED FROM ANOTHER LEASE OR POOL

BARRELS TRANSFERRED	POOL FROM WHICH TRANSFERRED	LEASE FROM WHICH TRANSFERRED
DATE OF LETTER OF NOTIFICATION OF TRANSFER IN COMPLIANCE WITH RULE 1104 (F)		

BARRELS TRANSFERRED	POOL FROM WHICH TRANSFERRED	LEASE FROM WHICH TRANSFERRED
DATE OF LETTER OF NOTIFICATION OF TRANSFER IN COMPLIANCE WITH RULE 1104 (F)		

BARRELS TRANSFERRED	POOL FROM WHICH TRANSFERRED	LEASE FROM WHICH TRANSFERRED
DATE OF LETTER OF NOTIFICATION OF TRANSFER IN COMPLIANCE WITH RULE 1104 (F)		

OPERATOR: I hereby certify the information above is true and complete to best of my knowledge and belief

Signature LeAnna Hanhardt
Printed Name LeAnna Hanhardt
& Title Production Accounting Supervisor
Date 04/24/98 7/6/98 Telephone No 505-325-1821

OIL CONSERVATION DIVISION

Approved by: 328 SUPERVISOR DISTRICT #3
Title: _____
Date: JUL 7 1998