



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

1000 RIO BRAZOS ROAD
AZTEC, NEW MEXICO 87410
(505) 334-6178

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 4-3-86

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL X _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated 2-7-86
for the Fours Corners Expl. Co. Lybrook #4 K-3-23N-7W
Operator Lease and Well No. Unit, _____

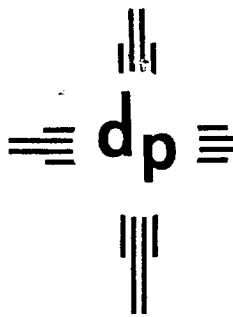
and my recommendations are as follows:

Approve

1034-2243

Yours truly,

[Signature]



dugan production corp.

February 5, 1986

Mr. Frank Chavez
New Mexico Oil Conservation Division
1000 Rio Brazos Rd.
Aztec, NM 87410

Re: Application for Administrative Approval of
Unorthodox Location for Four Corners Exploration Co.
Lybrook #4, located 1570' FSL & 2390' FWL, NE/SW, Sec. 3, T23N, R7W, NMPM
Rio Arriba County, NM - Gallup Test

Dear Mr. Chavez:

We hereby request approval of an unorthodox location for the subject well. Copies of the well location plat, topographic map, and a production map showing offsetting operators are attached for your reference.

The unorthodox location is necessary due to topographic conditions: an orthodox location would be inaccessible due to the presence of a high, steep mesa bordered by deep arroyos.

A copy of this application is being submitted to all offsetting operators by certified mail with a request that they furnish your office with a waiver of objection.

We request your approval of this location under the provisions of NMOCD Rule 104-F.

Sincerely,

Sherman E. Dugan
Agent

SED/cg

cc: Union Texas Petroleum
Ernest A. Hanson
Harry L. Bigbee

RECEIVED

FEB 07 1986

OIL CON. DIV
DIST 2

All distances must be from the outer boundaries of the Section.

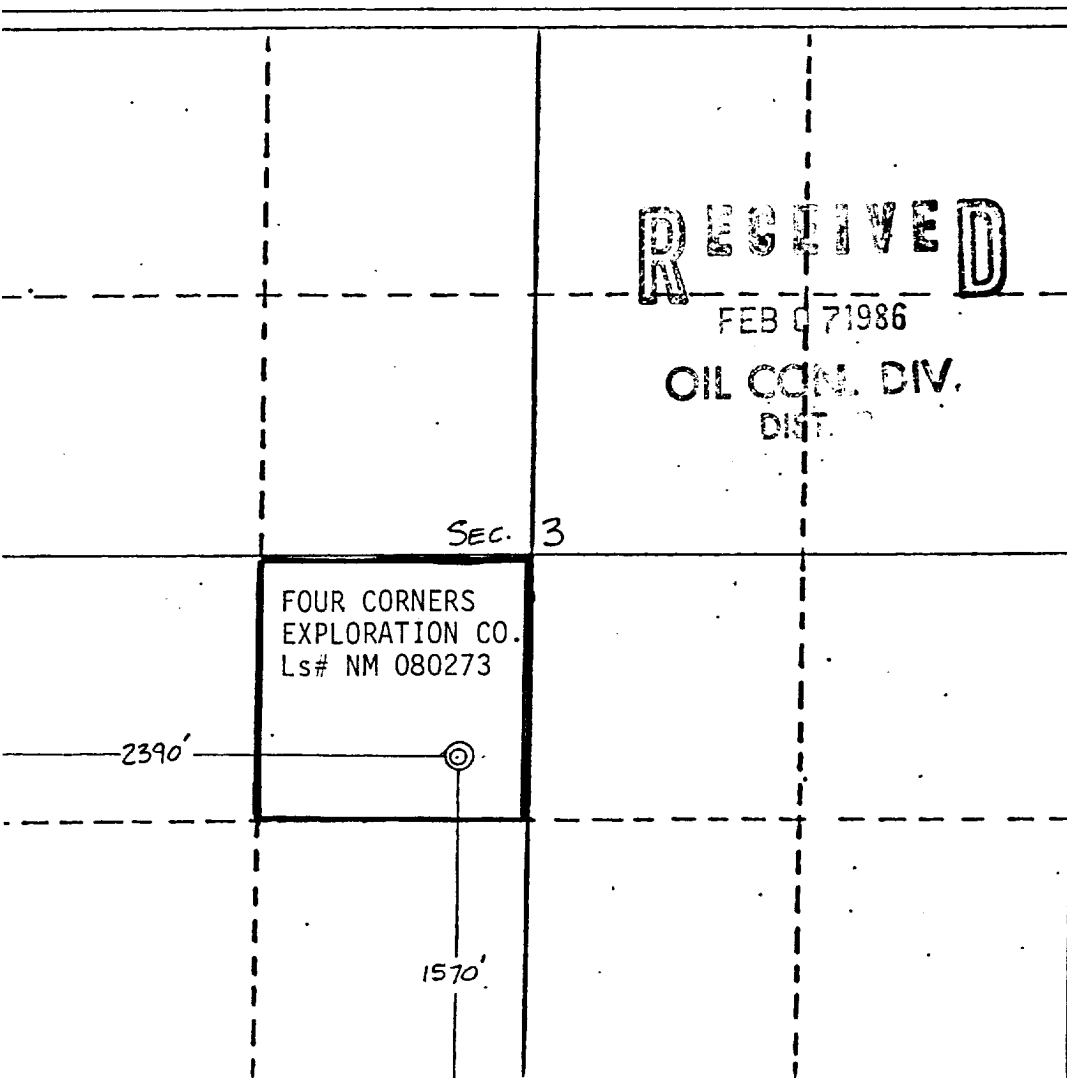
Operator Four Corners Exploration Company		Lease Lybrook		Well No. 4
Unit Letter K	Section 3	Township 23 North	Range 7 West	County Rio Arriba
Actual Footage Location of Well:				
1570	feet from the	South	line and	2390
feet from the		West		line
Ground Level Elev. 7130	Producing Formation Gallup	Pool Lybrook Gallup	Dedicated Acreage: 40 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests 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 interests, has been approved by the Division.



CERTIFICATION

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

Sherman E. Dugan
Name Sherman E. Dugan

Position
Geologist

Company
Dugan Production Corp.

Date
2-3-86

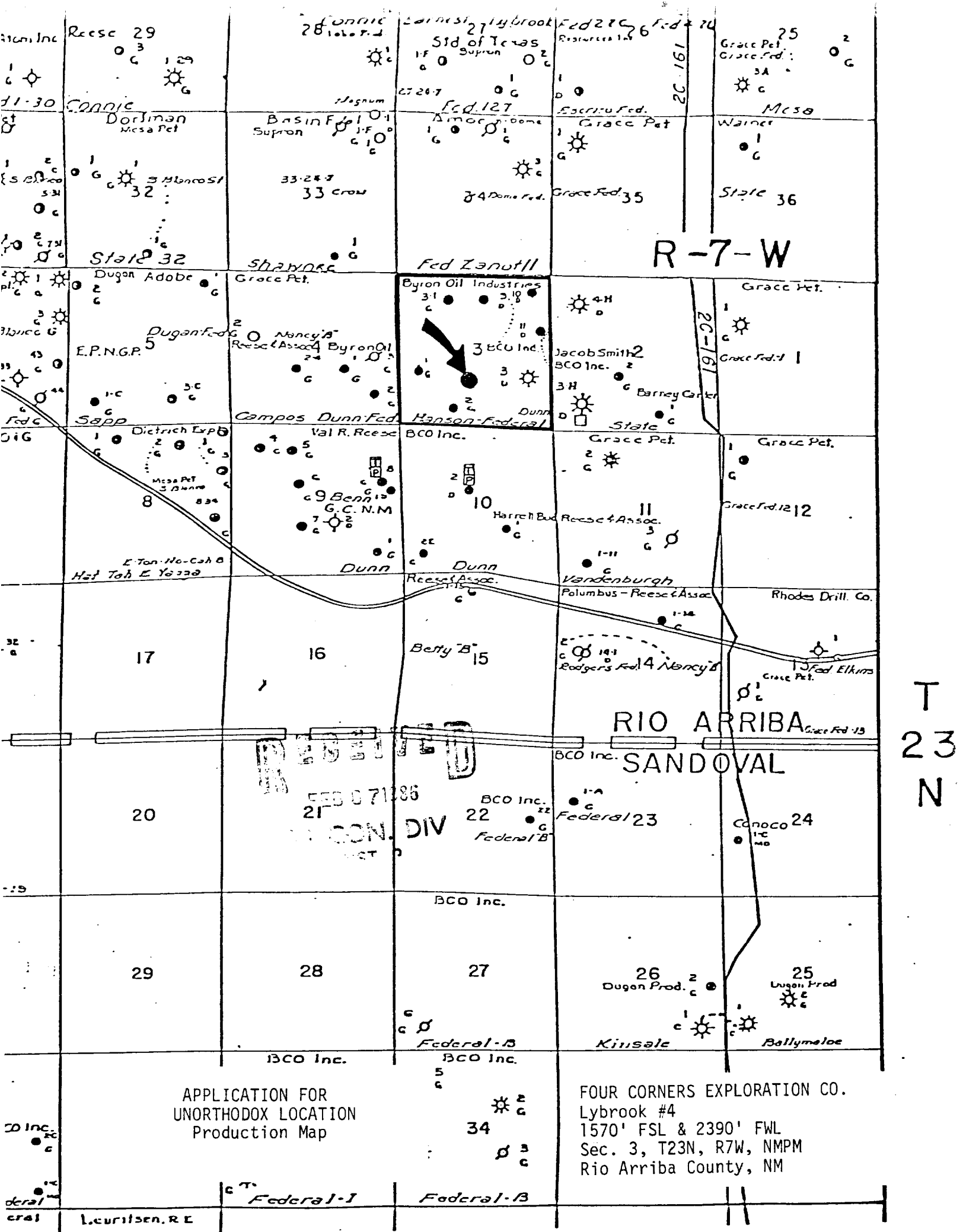
Edgar L. Risenhoover
I hereby certify that the location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
January 21, 1986

Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover
Certificate No. 5979

Edgar L. Risenhoover, L.S.



SECTION 3, T23N, R7W

UNION TEXAS PETROLEUM
SF-078272-A

Harry L. Bigbee
SF 078272

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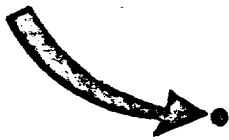
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Ernest A. Hanson
NM 080273

Four Corners Exploration Co.
NM 080273

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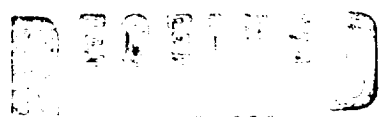
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Hanson Federal

Four Corners Exploration Co.
NM 080273

Ernest A. Hanson
NM 080273

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FEB 07 1986

OR. COM. DIV.
DIST. 2

Hanson Federal

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APPLICATION FOR
UNORTHODOX LOCATION
OFFSETTING OPERATORS

FOUR CORNERS EXPLORATION CO.
Lybrook #4
1570' FSL & 2390' FWL
Sec. 3, T23N, R7W, NMPM
Rio Arriba County, NM