



dugan production corp.

October 30, 1996

Mr. Bill LeMay, Director
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

RECEIVED
OCT 31 1996

Re: Notice of Modification to Surface Facilities
NMOCD Commingling Order PC-684 (dated 12-27-84)
Dugan Production Corp's Ballymaloe Wells No. 1 & 2
Units M & K, Section 25, T-23N, R-7W
Federal Lease No. NM 28747
Sandoval County, NM

OIL CON. DIV.
DIST. 3

Dear Mr. LeMay,

We are writing to advise that we plan to remove the wellsite gas metering equipment presently located at the Ballymaloe No. 2 and use the CDP gas sales meter currently located at the Ballymaloe No. 1 to measure gas production from the Ballymaloe No. 2 well. The Ballymaloe No. 1 well was plugged and abandoned on 8/30/95 (MMS Form 3160-5 attached) and the previously approved surface commingling of production from the No. 1 & 2 wells (Commingling Order PC-684) is no longer necessary. In addition, the allocation metering equipment currently at the No. 2 well is also no longer necessary; however, we do need to continue to use the CDP meter at the No. 1 wellsite to facilitate gas sales from the Ballymaloe No. 2 well. Production from the Ballymaloe No. 2 well averaged 731 MCF/month during the first 8 months of 1996 and relocating the gas sales meter location is not an option.

I have discussed this with David Catanach of your office and it is my understanding that NMOCD approval is not necessary, however, advisement of our modification is. Our proposed removal of the No. 2 allocation meter will not affect our gas measurement for the No. 2 well and should we desire to add additional wells to the CDP meter at some future date, we will restore the use of allocation meters and will secure the necessary approvals from the NMOCD & BLM. We will also continue to monitor the gas line between the Ballymaloe No. 2 well and the CDP meter for leaks.

Should you have questions or need additional information, please let me know.

Sincerely,

John D. Roe

John D. Roe
Manager of Engineering

JDR/cg

cc: NMOCD-Aztec and BLM-FDO

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Attachment
NO. 1
pg 1 of 1

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

5. Lease Designation and Serial No.
NM 28747

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE

7. If Unit or CA, Agreement Designation

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other P&A

8. Well Name and No.

Ballymaloe 1

2. Name of Operator

Dugan Production Corp.

9. API Well No.

30 043 20597

3. Address and Telephone No.

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

10. Field and Pool, or Exploratory Area

W/C Irish Mesa Chacra

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

890' FSL & 800' FWL (SW/4 SW/4)
Unit M, Sec. 25, T23N, R7W

11. County or Parish, State

Sandoval County, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☒ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completions on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Plugged well by pumping 118 cu. ft. Class B cement down 2-7/8" casing to fill to surface. Job complete 8/30/95.

Approved as to plugging of the well bore.
Liability under bond is retained until
surface restoration is completed.

14. I hereby certify that the foregoing is true and correct

Signed John Alexander
(This space for Federal or State office use)

Title Operations Manager

Date 8/31/95

Approved by _____
Conditions of approval, if any:

Title _____

APPROVED

SEP 6 1995

DISTRICT MANAGER

False 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 Government any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See instruction on Reverse Side
OPERATOR