



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

August 15, 1997

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OIL CON. DIV.
DIST. 3

Dugan Production Corp.
P. O. Box 420
Farmington, New Mexico 87499-0420
Attention: Kurt Fagrelus

Administrative Order NSL-3853

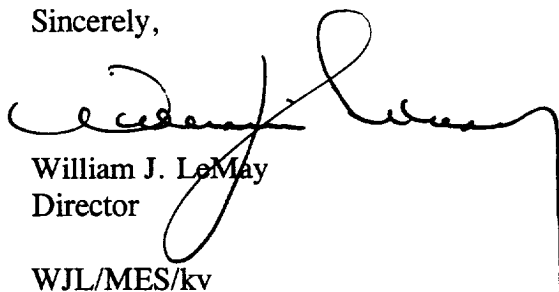
Dear Mr. Fagrelus:

Reference is made to your application dated July 31, 1997 for an off-pattern non-standard Basin-Fruitland coal gas well location for your existing Mesa Well No. 3 (API No. 30-045-22175), which was drilled in 1976 and completed in the Potwin-Pictured Cliffs Pool at a standard gas well location 790 feet from the South line and 1750 feet from the East line (Unit O) of Section 16, Township 24 North, Range 8 West, NMPM, San Juan County, New Mexico.

It is our understanding that the Pictured Cliffs interval will be properly plugged back and said well will be recompleted to the Basin-Fruitland Coal (Gas) Pool, in which the E/2 of said Section 16 is to be dedicated to said well to form a standard 320-acre gas spacing and proration for said pool. Pursuant to the "*Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool*", as promulgated by Division Order No. R-8768, as amended, said location is considered to be unorthodox.

By the authority granted me under the provisions of Rule 8 of said Order No. R-8768, as amended, the above-described unorthodox coal gas well location for the Mesa Well No. 3 is hereby approved.

Sincerely,



William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec
New Mexico State Land Office - Santa Fe



dugan production corp.



July 31, 1997

Copy

Mr. Michael E. Stogner
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, NM 87505

**Subject: Administrative Approval of Unorthodox Location
Dugan Production Corp.
Mesa #3
790' FSL & 1750' FEL, Sec. 16, T24N, R8W, NMPM
San Juan County, NM
Basin Fruitland Coal**

Dear Mr. Stogner:

Dugan Production Corp. requests administrative approval for an unorthodox location for its Mesa No. 3 well under the provisions of NMOCD Order No. R-8768.

The subject well is currently completed in the Pictured Cliffs formation and it is nonproductive. It is intended to abandon the Pictured Cliffs zone and recomplete in the Basin Fruitland Coal.

A copy of this application is being submitted to all offset operators by certified mail with a request that they furnish your office in Santa Fe a Waiver of Objection.

Attached is a well location plat showing dedicated acreage, a well location map and a map showing all offsetting operators.

Sincerely,

Kurt Fagrelius

Kurt Fagrelius

KF/tmf

cc: New Mexico Oil Conservation Division, Aztec
Bureau of Land Management, Farmington
Offset Operators

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LMS

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68, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

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

Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30 045 22175		2 Pool Code 71629		3 Pool Name Basin Fruitland Coal	
4 Property Code 003763		5 Property Name Mesa			6 Well Number 3
7 OGRID No. 006515		8 Operator Name Dugan Production Corp.			9 Elevation 6797' GL

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	16	24N	8W		790'	South	1750'	East	San Juan

11 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

12 Dedicated Acres 320	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

16	Sec. 16	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief <u>John Alexander</u> Signature John Alexander Printed Name Vice-President Title 7/16/97 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. August 15, 1976 Date of Survey Signature and Seal of Professional Surveyor: Original signed by Ernest V. Echohawk, LS 3602 Certificate Number	

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Dugan Production Corp.
LG 1917

790' 1750'

