



# dugan production corp.

March 16, 1983

Bureau of Land Management  
Attn: District Supervisor  
P. O. Drawer 600  
Farmington, New Mexico 87499

Re: Application to Vent Casinghead Gas  
Jerome P. McHugh  
Anabel Well No. 1  
Lease No. NM 42424  
NE/4 NE/4, Sec. 33, T25N, R8W, NMPM  
Duffers Point Gallup Dakota Field  
San Juan County, New Mexico

RECEIVED

MAR 17 1983

U. S. GEOLOGICAL SURVEY  
FARMINGTON, N. M.

RECEIVED

MAR 21 1983

OIL CON. DIV.  
DIST. 3

Gentlemen:

We are hereby making application to vent a very minor amount of casinghead gas, approximately 0.5 MCFD, from the captioned well. The Anabel #1 was completed on November 4, 1981 by Cotton Petroleum Corp. (as the Nageezi Federal 33 #1) testing an initial potential of 21.0 BOPD, 10.0 BWPD and 50.0 MCFD (GOR = 2381). Operations of the well were transferred to Jerome P. McHugh and the well name was changed effective July 23, 1982. During the last 5 months of 1982, production averaged 5.1 BOPD plus 4.8 MCFD, of which all produced gas was utilized to fuel a 14 horsepower engine and heater treater necessary to operate the well. Only a very minor amount of gas was occasionally vented.

Attached for your review is the most recent Gas-Oil Ratio Test (N. M. Form No. C-116) which presents a 24-hour test taken August 18, 1982, during which time a daily rate of 13.4 BO, 0 BW and 12.7 MCF of gas (GOR = 946) was tested.

Negotiations are currently in progress with Northwest Pipeline to secure a gas contract and pipeline connection. The reserves for the Anabel #1 are not dedicated, and the subject well is approximately 5800' from the nearest pipeline. The gas volumes currently available from the Anabel #1 are not sufficient to justify a pipeline connection. However, the well is currently only completed in the Dakota formation (perforations 7090'-7110') and we plan to perforate additional pay in the Gallup upon obtaining a pipeline connection. We operate one other well in the area and plan to install a line to connect both wells in the near future, pending current negotiations with Northwest Pipeline.

*N.M.C.D.*

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We therefore request permission to vent a very minor amount of casinghead gas (currently 0.5 MCFD) for a one year period which will allow additional time to obtain a pipeline connection.

Sincerely,

*John D. Roe*

John D. Roe  
Representative for Jerome P. McHugh

JDR:mba

Attachment

*Approved not to exceed 1 year and not to  
exceed 1000 cfd. 50th.*

