

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

POST OFFICE BOX 2088

STATE LAND OFFICE BUILDING SANTA FE. NEW MEXICO 87501 (505) 827-5800

December 17. 1985

Dugan Production Corp. P. O. Box 208 Farmington, New Mexico 87499-0208

Attention: Sherman E. Dugan

Administrative Order NSL-2205

Gentlemen:

Reference is made to your application for a non-standard location for your KR No. 15 well to be located 2310 feet from the South line and 330 feet from the East line of Section 20, Township 27 North, Range 13 West, NMPM, Gallegos-Gallup Pool, San Juan County, New Mexico. The E/2 SE/4 of said Section 20 shall be dedicated to the well.

By authority granted me under the provisions of Rule 104 F(I), the above-described unorthodox location is hereby approved.

Sincerely,

STAMETS, DIRECTOR

RLS/DC/dr

cc: Oil Conservation Division - Aztec Bureau of Land Management - Farmington

OIL CON. 3

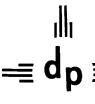


ENERGY AND MINERALD DEPARTMENT

OIL CONSERVATION DIVISION AZTEC DISTRICT OFFICE

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

OIL CONSERVATION DIVISION	(303) 334-0170
BOX 2088 SANTA FE, NEW MEXICO 87501	
DATE 12-6-85	
RE: Proposed MC Proposed DHC Proposed NSL Proposed SWD Proposed WFX Proposed PMX	
Gentlemen:	
I have examined the application dated 11-25-85	
	T-70 274 12
for the Ducanthod Corp. KR#15 Operator Lease and Well No.	Unit, S-T-R
and my recommendations are as follows:	
CAD rose	
Jege.	
Yours truly,	



dugan production corp.

OIL CON. DIV. November 21,

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

Application for Administrative Approval of Unorthodox Location for Dugan Production Corporation's KR #15 2310' FSL - 330' FEL, Sec. 20, T27N, R13W, NMPM San Juan County, NM - Gallup Test

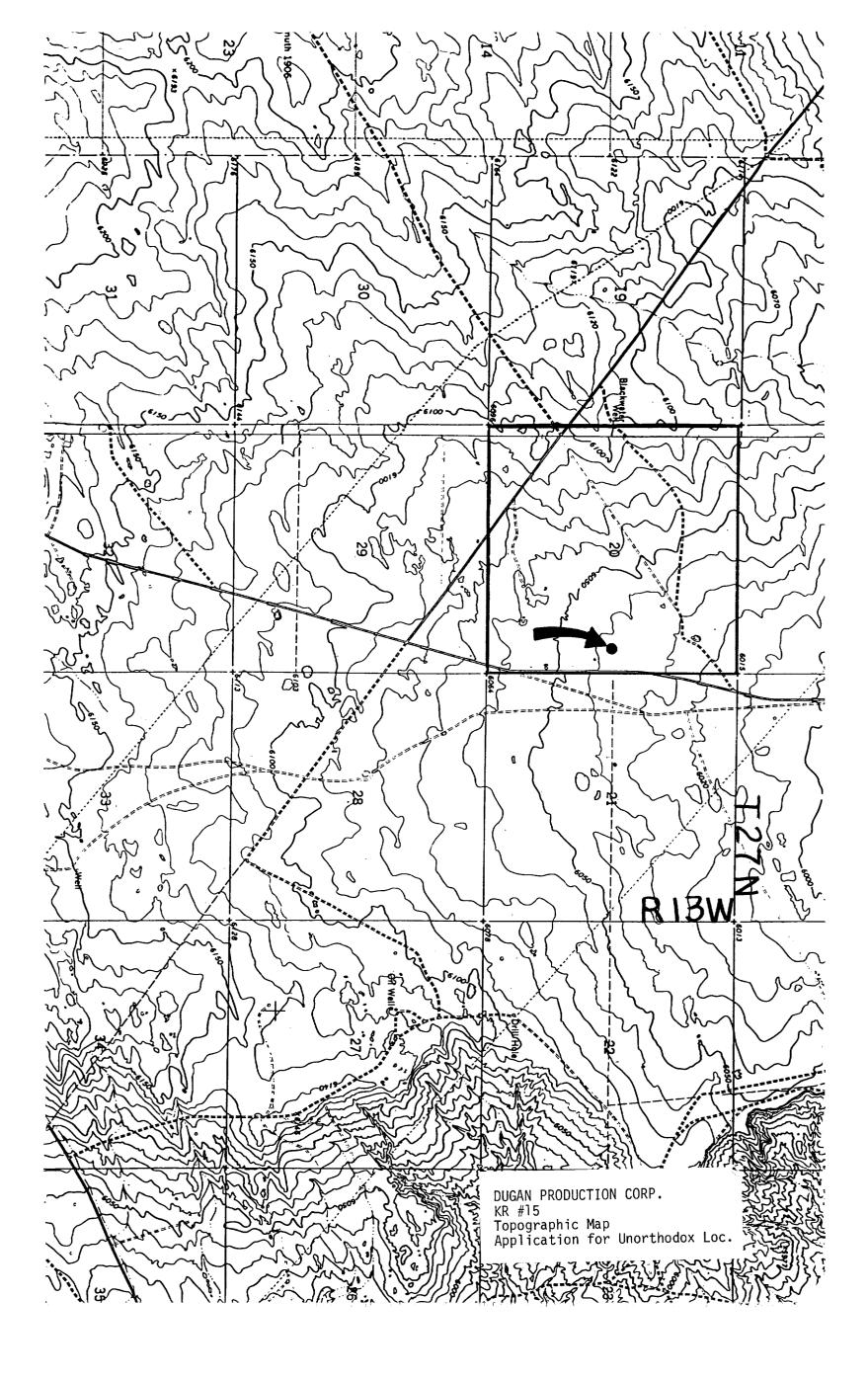
Dear Mr. Chavez:

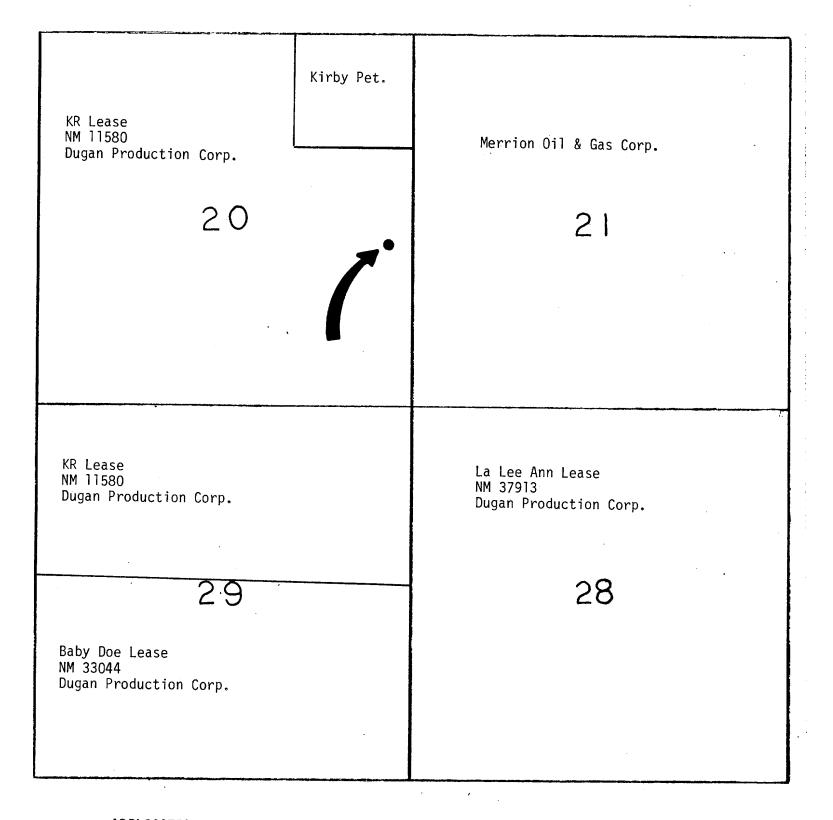
We hereby request approval of an unorthodox location for the subject well. Copies of the well location plat, topographic map and a production map showing offsetting operators are attached for your reference.

The unorthodox location is necessary due to proposed pivot arm radius prohibits placement of pump jack on an orthodox location. Dugan Production has intentionally placed the well at this location to avoid planned cultivated fields.

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: Bureau of Land Management - Farmington Merrion Oil & Gas Corp.
WAIVER
HATTEN.
Merrion Oil & Gas Corp. hereby waives objection to the above application for unorthodox location.
Date By:





APPLICATION FOR UNORTHODOX LOCATION OFFSETTING OPERATORS

DUGAN PRODUCTION CORP. KR #15 2310' FSL - 330' FEL Sec. 20, T27N, R13W, NMPM San Juan County, NM