



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor

Joanna Prukop
Cabinet Secretary
Acting Director
Oil Conservation Division

April 12, 2004

Dugan Production Company
709 E. Murray Dr.
PO Box 420
Farmington, NM 87499-0420

Attention: John Alexander

Re: Request for Extension of Implementation Period for Division Order WFX-789.

Dear Mr. Alexander:


The New Mexico Oil Conservation Division has reviewed your request to extend the implementation period on the West Bisti Unit No 157, API No. 30-045-05598, located 660 feet from the south line and 660 feet from the east line (Unit P) Section 36, Township 26 North, Range 13 West, NMPM, San Juan County, New Mexico, originally approved with Division order WFX-789. **Providing that all conditions contained in the order remain the same and there are no new wells drilled in the area of review, the expiration date of the WFX-789 is hereby extended to October 9, 2004.**

In the event any drilling activity occurs in the subject area of review, Dugan Production Corporation will notify the supervisor of the Aztec district office and the Division office. An administrative review of the permit will be conducted, and the status of the permit will be determined.

Additionally: The operator shall report by sundry to the Aztec district office (send a copy to Santa Fe), the original static fluid level – in units of feet from the KB - for the zone completed during the work-over to convert to injection.

All other provisions and conditions of WFX-789 and Division Rules 706 and 1120 shall remain in full force and effect.

Sincerely,


Joanna Prukop
Acting Director

JP:vwjj

cc: Oil Conservation Division - Aztec
WFX-789

Jones, William V

To: John Alexander

Subject: RE: WBU 157 Conversion to SWD

John:

This is enough for me - I will send you a letter extending for another 6 months.

Regards,
Will Jones

-----Original Message-----

From: John Alexander [mailto:johncalexander@duganproduction.com]

Sent: Monday, April 12, 2004 5:04 PM

To: Will Jones

Subject: WBU 157 Conversion to SWD

WFX-789

36-045-05598

approved 4/8/03

Will:

John Roe gave me your email about conversion of the West Bisti Unit No. 157. This well is located within the Navajo Indian Irrigation Project (NIPP). The USEPA also claims primacy over UIC on the NIPP. As such I was required to complete their permitting process. I received the EPA permit on 12/9/2003. I have not scheduled the conversion yet, but will do so in the next few months. If I need to make a formal request that the time allowed for conversion be extended, please let me know.

Thanks
John Alexander
Dugan Production

This email has been scanned by the MessageLabs Email Security System.
For more information please visit <http://www.messagelabs.com/email>

4/12/2004