



dugan production corp.

May 11, 1979

RECEIVED
MAY 17 1979
OIL CONSERVATION DIVISION
SANTA FE

NSL-1038
Rule 104 F
June 6, 1979

Joe D. Ramey
Division Director
New Mexico Oil Conservation Division
Box 2088
Santa Fe, NM 87501

RE: Application for Administrative Approval of
Unorthodox Location of the Paul #2 Well
San Juan County, New Mexico

Dear Mr. Ramey:

Enclosed are the following items regarding the Application for Administrative Approval of the Unorthodox Location of the Paul #2 Well which will be located in the NW/4 of Section 19, Township 27 North, Range 11 West, N.M.P.M., San Juan County, New Mexico:

500' FWL
1850' FWL

1. Three copies of the Application for Administrative Approval of the Unorthodox Location for the Paul #2 Well.

2. Three copies of a plat showing the ownership of all leases offsetting the NW/4 of Section 19, Township 27 North, Range 11 West, N.M.P.M. This plat also shows all of the wells completed on these leases.

3. Three copies of a letter from an official of the Navajo Indian Irrigation Project requesting the location of this well so as not to interfere with the sprinkler systems of the Project.

4. Three copies of a Certificate of Mailing stating that all operators of leases offsetting the dedicated acreage for this well, the Supervisor of the District III Office of the New Mexico Oil Conservation Division, the U. S. Geological Survey, and the Project Manager of the Navajo Indian Irrigation Project have been notified of the Application by certified mail.

If you need further information or assistance, please advise.

Sincerely,
Richard T. C. Tully

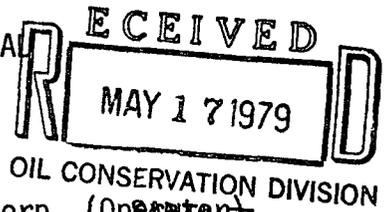
Richard T. C. Tully
Attorney for Applicant

WFW -
Fru. Hand - Pictured Cliffs

RTCT/sak

Enclosures

APPLICATION FOR ADMINISTRATIVE APPROVAL
OF UNORTHODOX LOCATION



Applicant: Dugan Production Corp. (Operator)
P. O. Box 234
Farmington, NM 87401

Lease: USA NM 029145

Lease Date: February 1, 1957

Lease Term: 5 Years

Lands Described in Lease Dedicated to the Well: Township 27 North, Range 11 West, N.M.P.M.
Section 19: Lots 1, 2, E/2 NW/4 (NW/4)
Containing 158.13 acres, more or less
San Juan County, New Mexico

Name of Well: Paul #2 Well

Proposed Unorthodox Location: Township 27 North, Range 11 West, N.M.P.M.
Section 19: 500' FNL - 1850' FWL
(Unit Letter C)
San Juan County, New Mexico

Reason for Unorthodox Location: Topographical conditions based on request by officials of the Navajo Indian Irrigation Project to locate the well in such a manner so as to not interfere with the sprinkler systems of the Project.

New Mexico Oil Conservation Division Rule Authorizing Application: Rule 104(D)(II)(F)

Offsetting Leases and Operators:

A. USA NM 029145 (Same Lease)
Township 27 North, Range 11 West, N.M.P.M.
Section 19: NE/4
San Juan County, New Mexico

Dugan Production Corp.
P. O. Box 234
Farmington, NM 87401

R. S. Usry
C. M. Paul Oil Account
Box 38448
Dallas, TX 75238

B. USA SF 078895
Township 27 North, Range 11 West, N.M.P.M.
Section 18: S/2
San Juan County, New Mexico

Norman G. Damon, District Landman
Depco, Inc.
1025 Petroleum Club. Bldg.
Denver, CO 80202

William H. Galac, Senior Landman
Husky Oil Company
600 South Cherry Street
Denver, CO 80222

C. Navajo Contract No. I-149-IND-91019
Township 27 North, Range 11 West, N.M.P.M.
Section 19: S/2
San Juan County, New Mexico

H. B. Rainbolt, Division Manager
Texaco, Inc.
Box 2100
Denver, CO 80201

D. USA SF 079115
Township 27 North, Range 12 West, N.M.P.M.
Section 13: SE/4
San Juan County, New Mexico

Richard Tully
Dugan Production Corp.
Box 234
Farmington, New Mexico 87401

E. USA NM 048568
Township 27 North, Range 12 West, N.M.P.M.
Section 24: NE/4
San Juan County, New Mexico

B. F. Pracko
Division Landman
Amoco Production Company
Security Life Bldg.
Denver, CO 80202

F. USA NM 035634
Township 27 North, Range 12 West, N.M.P.M.
Section 24: SE/4
San Juan County, New Mexico

B. F. Pracko
Division Landman
Amoco Production Company
Security Life Bldg.
Denver, CO 80202



UNITED STATES
DEPARTMENT OF THE INTERIOR

RESOURCES
Irrigation (NIIP)

BUREAU OF INDIAN AFFAIRS
NAVAJO INDIAN IRRIGATION PROJECT
3539 East 30th Street
Northwest Energy Bldg., Room 103
Farmington, New Mexico 87401

March 26, 1969

Mr. Joe D. Ramey, Division Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87401

Dear Mr. Ramey:

Dugan Production Corporation, Farmington, New Mexico has contacted our office regarding the proposed drilling of a gas well, Paul #2, in Section 19, T. 27 N., R. 11 W., NMPM.

In order to locate this well in the NW $\frac{1}{4}$ of Section 19 and not have serious interference with the sprinkler irrigation systems of the Navajo Indian Irrigation Project the following location is necessary:

500' FNL - 1850' FWL

To prevent interference with the development of the Project and the sprinkler irrigation systems it is requested that your office approve this unorthodox well location.

Your cooperation will be appreciated.

Sincerely yours,

Walter E. Rein
Acting Project Manager

CERTIFICATE OF MAILING

I certify that I mailed a copy of the Application for Unorthodox Location of the Paul #2 Well by certified mail to all operators of leases offsetting the dedicated acreage for the Paul #2 Well, to the Supervisor of the District III Office of the New Mexico Oil Conservation Division, to the U. S. Geological Survey, and to the Project Manager of the Navajo Indian Irrigation Project on this 11th day of May, 1979.

Richard T. C. Tully
Richard T. C. Tully
Attorney for Applicant

May 23, 1979



DEPCO, Inc.

PRODUCTION & EXPLORATION

State of New Mexico
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

Attention: Mr. Joe D. Ramey
Division Director

RE: Application for Unorthodox Location
DUGAN: Paul #2 well
DEPCO's West Kutz Area
San Juan County, New Mexico

Gentlemen:

Enclosed is an executed copy of the Waiver of Objection and Consent to the Unorthodox Location required by The State of New Mexico pertaining to the DUGAN: Paul #2 well to be located in the NW $\frac{1}{4}$ of Section 19, Township 27 South, Range 11 West, N.M.P.M., San Juan County, New Mexico.

Very truly yours,

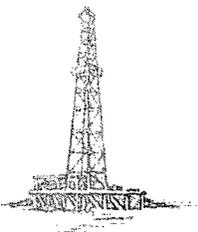
DEPCO, Inc.

A handwritten signature in cursive script that reads "Norman G. Damon".

Norman G. Damon
District Landman

Enclosure
NGD:rc.

cc: Dugan Production Company
Post Office Box 234
Farmington, New Mexico 87401
Attention: Mr. Richard T. C. Tully
(w/copy of signed waiver attached)



RECEIVED
MAY 23 1979
OIL CONSERVATION DIVISION
WAIVER OF OBJECTION AND CONSENT
TO THE UNORTHODOX LOCATION
OF THE PAUL #2 WELL

The undersigned, as an operator of a lease offsetting the NW/4 of Section 19, Township 27 North, Range 11 West, N.M.P.M., San Juan County, New Mexico, does hereby acknowledge receipt of the Application for Administrative Approval of Unorthodox Location for the Paul #2 Well.

The undersigned states that it waives any objection that it may have to this unorthodox location and voluntarily consents to the location of the Paul #2 Well as stated in the above mentioned Application.

DATED this 23rd day of May, 1979.

DEPCO, Inc.

BY:

K. G. Ranum
K. G. Ranum, Vice President

TITLE:

ADDRESS:

110 Sixteenth Street

1000 Petroleum Building

Denver, Colorado 80202

Send one executed copy to Joe D. Ramey, Division Director, New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, and return one executed copy to the Applicant. The remaining copy is for your files.

WAIVER OF OBJECTION AND CONSENT
TO THE UNORTHODOX LOCATION
OF THE PAUL #2 WELL



The undersigned, as an operator of a lease offsetting the NW/4 of Section 19, Township 27 North, Range 11 West, N.M.P.M., San Juan County, New Mexico, does hereby acknowledge receipt of the Application for Administrative Approval of Unorthodox Location for the Paul #2 Well.

The undersigned states that it waives any objection that it may have to this unorthodox location and voluntarily consents to the location of the Paul #2 Well as stated in the above mentioned Application.

DATED this 21 day of May, 19 79.

C. M. Paul Oil Account

BY:

R. S. Usry
R. S. Usry

TITLE:

Manager

ADDRESS:

P. O. Box 38448

Dallas. Texas 75238

Send one executed copy to Joe D. Ramey, Division Director, New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, and return one executed copy to the Applicant. The remaining copy is for your files.

NSL-1038

WAIVER OF OBJECTION AND CONSENT
TO THE UNORTHODOX LOCATION
OF THE PAUL #2 WELL



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The undersigned states that it waives any objection that it may have to this unorthodox location and voluntarily consents to the location of the Paul #2 Well as stated in the above mentioned Application.

DATED this 24th day of May, 1979.

Husky Oil Co.

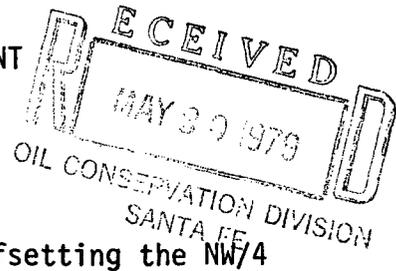
BY: Al Daniden

TITLE: Division Manager

ADDRESS: #600, 600 S. Cherry St.
Denver Co 80222

Send one executed copy to Joe D. Ramey, Division Director, New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, and return one executed copy to the Applicant. The remaining copy is for your files.

WAIVER OF OBJECTION AND CONSENT
TO THE UNORTHODOX LOCATION
OF THE PAUL #2 WELL



The undersigned, as an operator of a lease offsetting the NW/4 of Section 19, Township 27 North, Range 11 West, N.M.P.M., San Juan County, New Mexico, does hereby acknowledge receipt of the Application for Administrative Approval of Unorthodox Location for the Paul #2 Well.

The undersigned states that it waives any objection that it may have to this unorthodox location and voluntarily consents to the location of the Paul #2 Well as stated in the above mentioned Application.

DATED this 25th day of May, 19 79.

Amoco Production Co.

BY: R B Giles

TITLE: _____

ADDRESS: _____

Send one executed copy to Joe D. Ramey, Division Director, New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501, and return one executed copy to the Applicant. The remaining copy is for your files.



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR

RESOURCES
Irrigation (NIIP)

BUREAU OF INDIAN AFFAIRS
NAVAJO INDIAN IRRIGATION PROJECT
3539 East 30th Street
Northwest Energy Bldg., Room 103
Farmington, New Mexico 87401

March 26, 1969

Mr. Joe D. Ramey, Division Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87401

Dear Mr. Ramey:

Dugan Production Corporation, Farmington, New Mexico has contacted our office regarding the proposed drilling of a gas well, Paul #2, in Section 19, T. 27 N., R. 11 W., NMPM.

In order to locate this well in the NW $\frac{1}{4}$ of Section 19 and not have serious interference with the sprinkler irrigation systems of the Navajo Indian Irrigation Project the following location is necessary:

500' FNL - 1850' FWL

To prevent interference with the development of the Project and the sprinkler irrigation systems it is requested that your office approve this unorthodox well location.

Your cooperation will be appreciated.

Sincerely yours,

Walter E. Rein
Acting Project Manager

APPLICATION FOR ADMINISTRATIVE APPROVAL
OF UNORTHODOX LOCATION

Applicant: Dugan Production Corp. (Operator)
P. O. Box 234
Farmington, NM 87401

Lease: USA NM 029145

Lease Date: February 1, 1957

Lease Term: 5 Years

Lands Described in Lease Dedicated to the Well: Township 27 North, Range 11 West, N.M.P.M.
Section 19: Lots 1, 2, E/2 NW/4 (NW/4)
Containing 158.13 acres, more or less
San Juan County, New Mexico

Name of Well: Paul #2 Well

Proposed Unorthodox Location: Township 27 North, Range 11 West, N.M.P.M.
Section 19: 500' FNL - 1850' FWL
(Unit Letter C)
San Juan County, New Mexico

Reason for Unorthodox Location: Topographical conditions based on request by officials of the Navajo Indian Irrigation Project to locate the well in such a manner so as to not interfere with the sprinkler systems of the Project.

New Mexico Oil Conservation Division Rule Authorizing Application: Rule 104(D)(II)(F)

Offsetting Leases and Operators:

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Box 38448
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Township 27 North, Range 11 West, N.M.P.M.
Section 18: S/2
San Juan County, New Mexico

Norman G. Damon, District Landman
Depco, Inc.
1025 Petroleum Club. Bldg.
Denver, CO 80202

William H. Galac, Senior Landman
Husky Oil Company
600 South Cherry Street
Denver, CO 80222

- C. Navajo Contract No. I-149-IND-91019
Township 27 North, Range 11 West, N.M.P.M.
Section 19: S/2
San Juan County, New Mexico
- H. B. Rainbolt, Division Manager
Texaco, Inc.
Box 2100
Denver, CO 80201
- D. USA SF 079115
Township 27 North, Range 12 West, N.M.P.M.
Section 13: SE/4
San Juan County, New Mexico
- Richard Tully
Dugan Production Corp.
Box 234
Farmington, New Mexico 87401
- E. USA NM 048568
Township 27 North, Range 12 West, N.M.P.M.
Section 24: NE/4
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- B. F. Pracko
Division Landman
Amoco Production Company
Security Life Bldg.
Denver, CO 80202
- F. USA NM 035634
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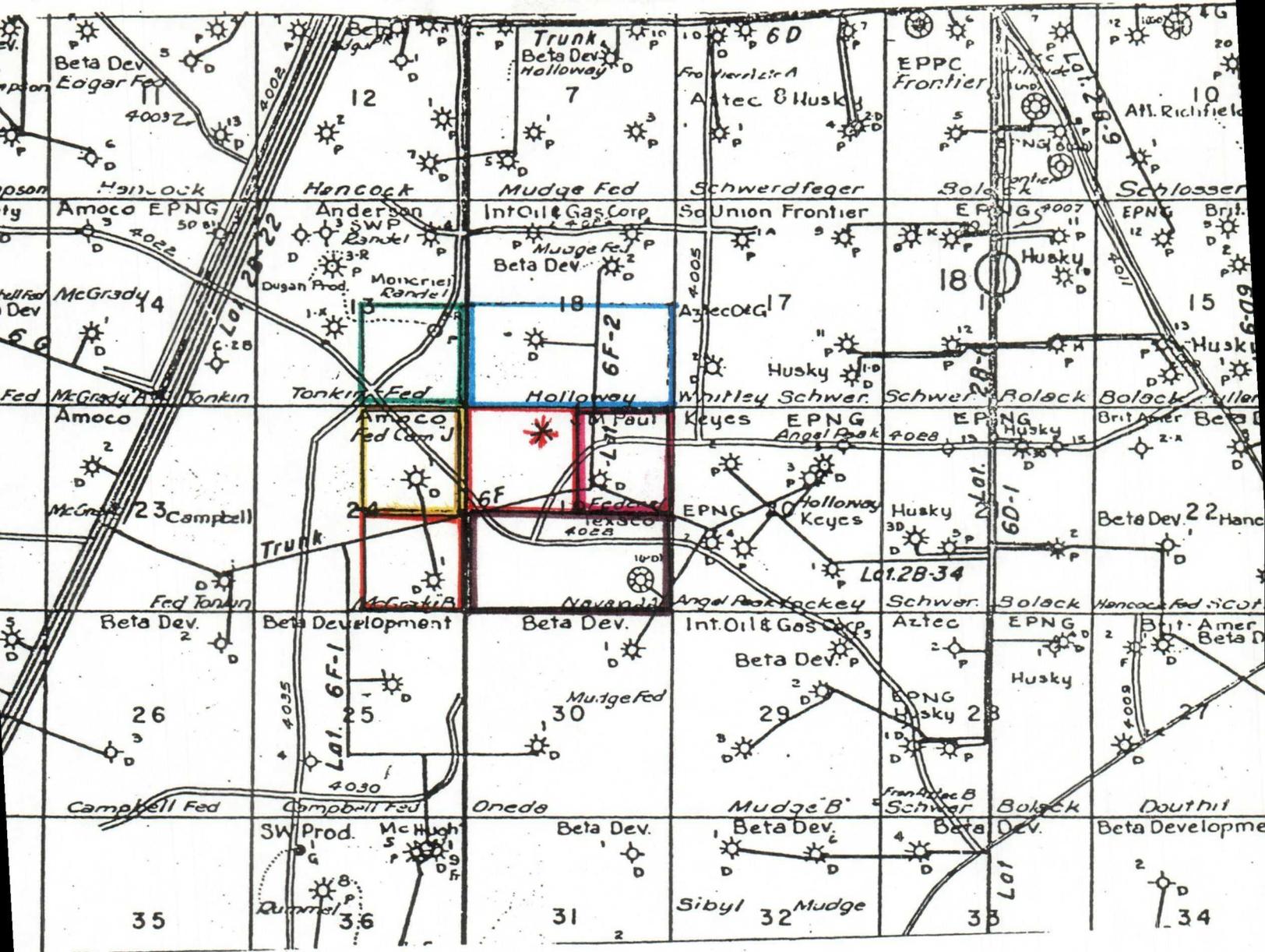
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Dugan Production Corp.
 Paul #2 Well
 San Juan County, New Mexico

Application for Administrative Approval of Unorthodox Location

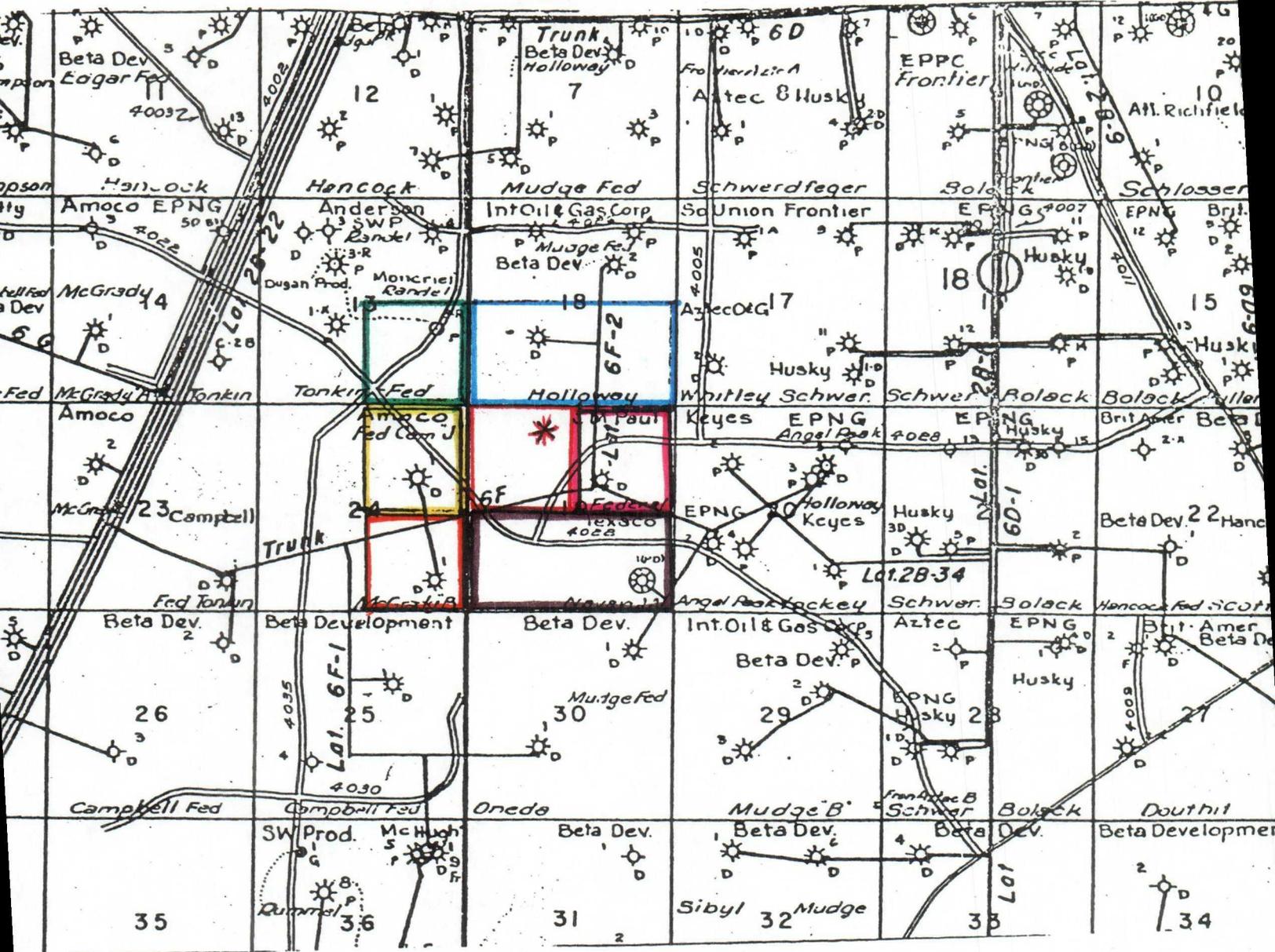


-  USA NM 020145
-  USA SF 078895
-  Navajo Contract No. I-149-IND-91019
-  SF 079115
-  NM 048568
-  NM 035634

-  Dedicated Acreage
-  Proposed Location

Dugan Production Corp.
 Paul #2 Well
 San Juan County, New Mexico

Application for Administrative Approval of Unorthodox Location



- USA NM 020145
- USA SF 078895
- Navajo Contract No. I-149-IND-91019
- SF 079115
- NM 048568
- NM 035634
- Dedicated Acreage
- * Proposed Location



UNITED STATES
DEPARTMENT OF THE INTERIOR

RESOURCES
Irrigation (NIIP)

BUREAU OF INDIAN AFFAIRS
NAVAJO INDIAN IRRIGATION PROJECT
3539 East 30th Street
Northwest Energy Bldg., Room 103
Farmington, New Mexico 87401

March 26, 1969

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New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87401

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500' FNL - 1850' FWL

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Your cooperation will be appreciated.

Sincerely yours,

Walter E. Rein
Acting Project Manager

CERTIFICATE OF MAILING

I certify that I mailed a copy of the Application for Unorthodox Location of the Paul #2 Well by certified mail to all operators of leases offsetting the dedicated acreage for the Paul #2 Well, to the Supervisor of the District III Office of the New Mexico Oil Conservation Division, to the U. S. Geological Survey, and to the Project Manager of the Navajo Indian Irrigation Project on this 16th day of May, 1979.

Richard T. C. Tully *cs.*
Richard T. C. Tully
Attorney for Applicant