



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

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

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE 3-10-87

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL ✓ _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

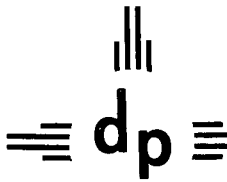
I have examined the application dated 3-5-87
for the Dugan Production Corp. Louie Louie #1 L-8-23N-9W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

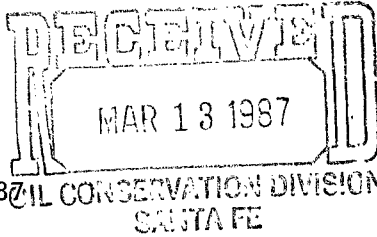
Approve

Yours truly,

Eric Bush



dugan production corp.



March 12, 1987

Mr. Bill LeMay
New Mexico Oil Conservation Division
Box 2088
Santa Fe, NM 87501

Re: Application for Administrative Approval of
Unorthodox Location for Dugan Production Corp.
Louie Louie No. 1, 2290' FSL - 710' FWL, Sec. 8, T23N, R9W, NMPM
San Juan County, NM - South Bisti Gallup Test

Dear Mr. LeMay:

In reference to the above, one offset operator, Richard Reese, has informed Dugan Production Corp. that he is no longer the holder of lease #NM 57164, E/2 Section 18, T23N, R9W, NMPM. Mr. Reese stated he has sold it to Yates Petroleum. We have sent a certified waiver request to Yates and hope to hear from them shortly concerning the matter.

If you have any questions, please contact our office.

Sincerely,

Barbara L. Williams
Engineer

BLW/cg

*Correction sent
for Richard Reese.
Sold his acreage to
Yates.
3-11-87
Yates phoned in verbal
approval 3-30-87*

BILL LEMAY
NMOC D

Box 2088

Santa Fe, NM 87501

FROM

DUGAN PRODUCTION CORP.

P. O. BOX 208

FARMINGTON, N. M. 87401

(505) 325-1821

SUBJECT

WAIVER-DPC'S LOWE LOWE #1

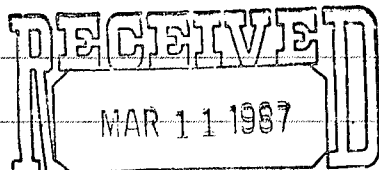
DATE

3/9/87

MESSAGE

DEAR MR. LEMAY,
ATTACHED PLEASE FIND THE BUREAU OF LAND
MANAGEMENT'S SIGNED WAIVER OF OBJECTION
FOR DUGAN PRODUCTION'S APPLICATION FOR
ADMINISTRATIVE APPROVAL FOR THE SUBJECT
UNORTHODOX LOCATION.

IF YOU HAVE ANY QUESTIONS, PLEASE DO
NOT HESITATE TO CONTACT THIS OFFICE



OIL CONSERVATION DIVISION
SANTA FE

SIGNED

Barbara Williams

SEND WHITE COPY RETAIN YELLOW COPY

dugan production corp.

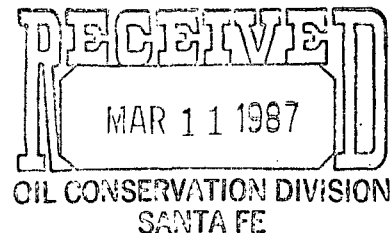
RECEIVED

MAR 05 1987

March 3, 1987

BUREAU OF LAND MANAGEMENT
FARMINGTON RESOURCE AREA

Mr. Bill LeMay
New Mexico Oil Conservation Division
Box 2088
Santa Fe, NM 87501



Re: Application for Administrative Approval of
Unorthodox Location for Dugan Production Corp.
Louie Louie No. 1, 2290' FSL - 710' FWL, Sec. 8, T23N, R9W, NMPM
San Juan County, NM - South Bisti Gallup Test

Dear Mr. LeMay:

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.

An unorthodox location is necessary due to the presence of a deep, very sandy arroyo which has seasonal drainage from uphill badlands.

A copy of this application is being submitted to all offsetting operators by certified mail with a request that they furnish our office with a waiver of objection to be forwarded to you by us.

We request your approval of this location under the provisions of NMOCD Rule 104-F.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jim L. Jacobs".

Jim L. Jacobs

cg

cc: NMOCD, Aztec; Attn: Ernie Busch
Offsetting Operators: BLM, BIA, Richard Reese

WAIVER

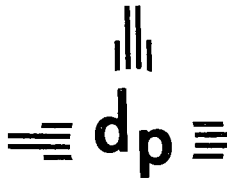
Bureau of Land Management hereby waives objection to the above application for unorthodox location.

3/6/87
Date

By:

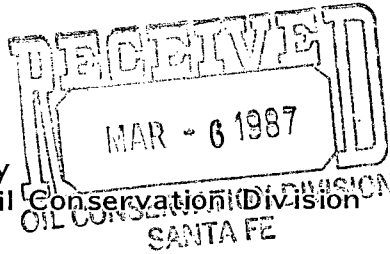
A handwritten signature in cursive script, appearing to read "Area Manager".

**SIGN & RETURN
THIS COPY**



dugan production corp.

March 3, 1987



Mr. Bill LeMay
New Mexico Oil Conservation Division
Box 2088
Santa Fe, NM 87501

NSL-2329
RULE-104 F(I)

South Bisti Gallup Post
80 Acre d.
w/ SW 1/4 Sec 8

Re: Application for Administrative Approval of
Unorthodox Location for Dugan Production Corp.
Louie Louie No. 1, 2290' FSL - 710' FWL, Sec. 8, T23N, R9W, NMPM
San Juan County, NM - South Bisti Gallup Test

Dear Mr. LeMay:

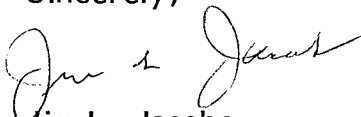
We hereby request approval of an unorthodox location for the subject well. Copies of the well location plat, topographic map and a production map showing offsetting operators are attached for your reference.

An unorthodox location is necessary due to the presence of a deep, very sandy arroyo which has seasonal drainage from uphill badlands.

A copy of this application is being submitted to all offsetting operators by certified mail with a request that they furnish our office with a waiver of objection to be forwarded to you by us.

We request your approval of this location under the provisions of NMOCD Rule 104-F.

Sincerely,


Jim L. Jacobs

cg

cc: NMOCD, Aztec; Attn: Ernie Busch
Offsetting Operators: BLM, BIA, Richard Reese

encs.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

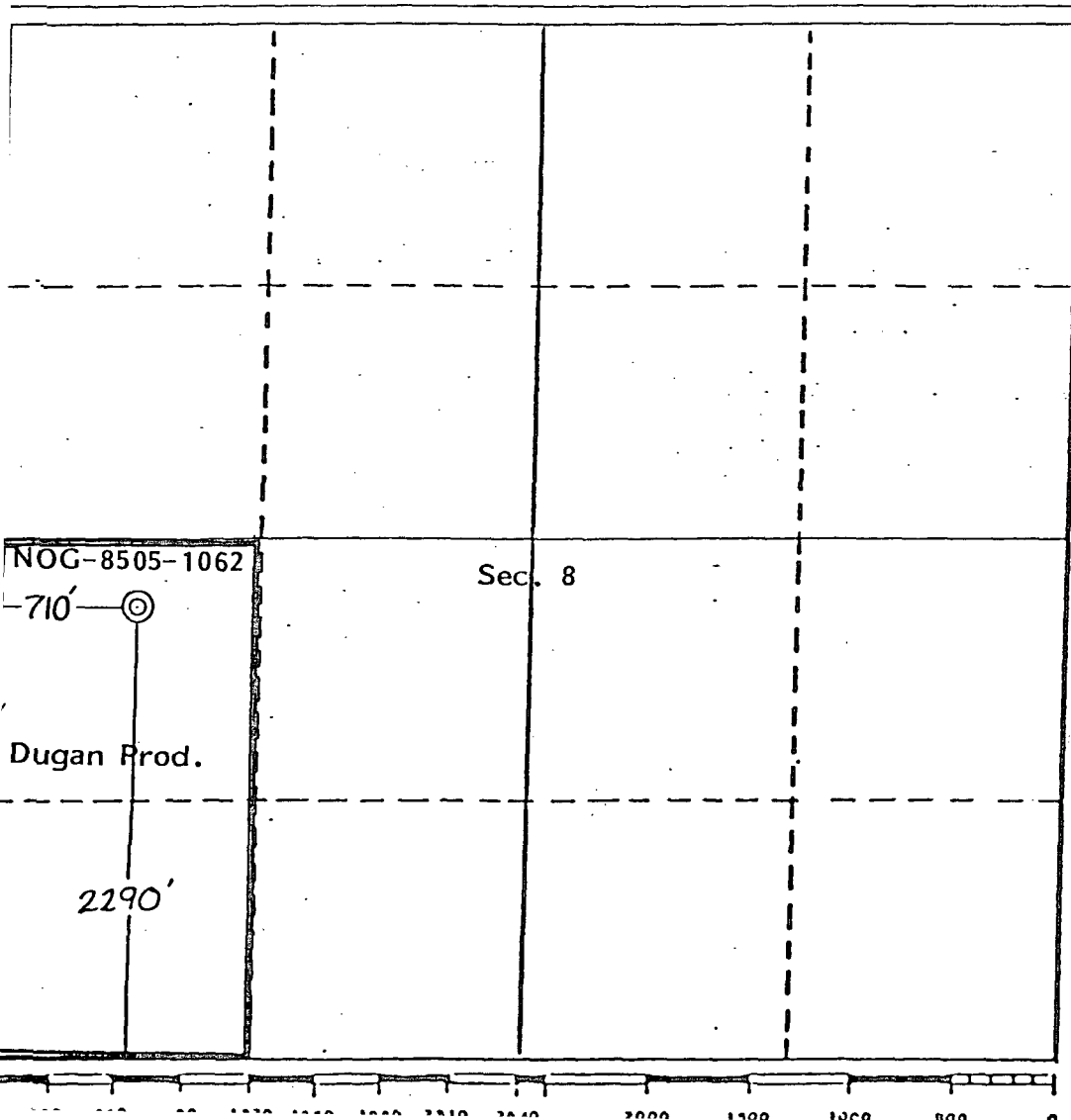
Operator DUGAN PRODUCTION CORP.		Lease Louie Louie		Well No. 1	
Unit Letter L	Section 8	Township 23 North	Range 9 West	County San Juan	
Actual Footage Location of Well: 2290 feet from the South line and 710 feet from the West line					
Ground Level Elev. 6636'	Producing Formation Gallup		Pool Bisti Gallup South		Dedicated Acreage: 80 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- ~~3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?~~

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Sherman E. Dugan
Name

Sherman E. Dugan

Position

Geologist

Company

Dugan Production Corp.

Date

9-2-86

I hereby certify that the well location shown on this plot 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 knowledge and belief.

Date Surveyed

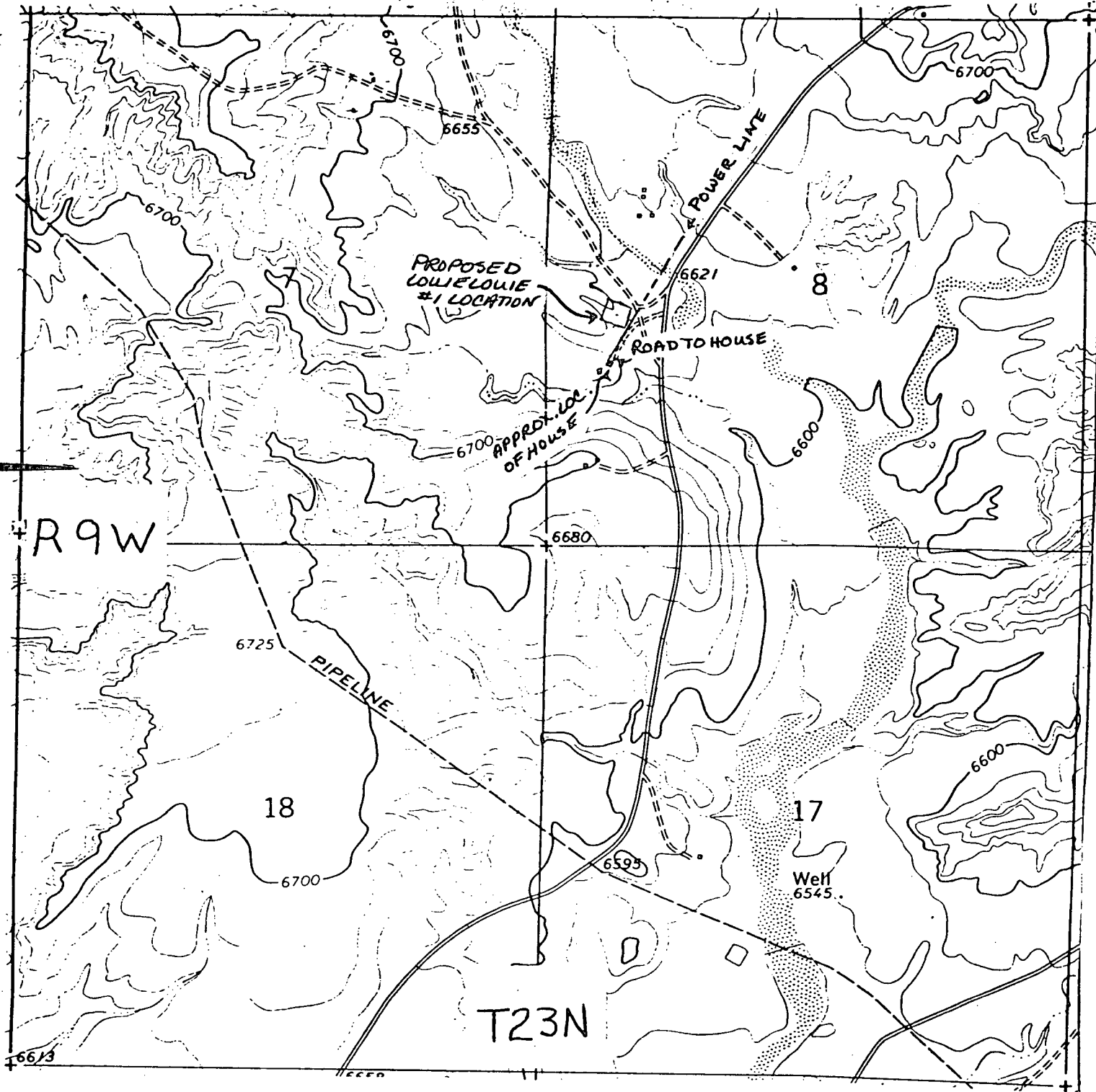
8-18-86

Registered Professional Engineer
and/or Land Surveyor

Thomas A. Dugan
Certificate No.

Certificate No.

N.M. 2373



APPLICATION FOR UNORTHODOX LOCATION

Topographical Map

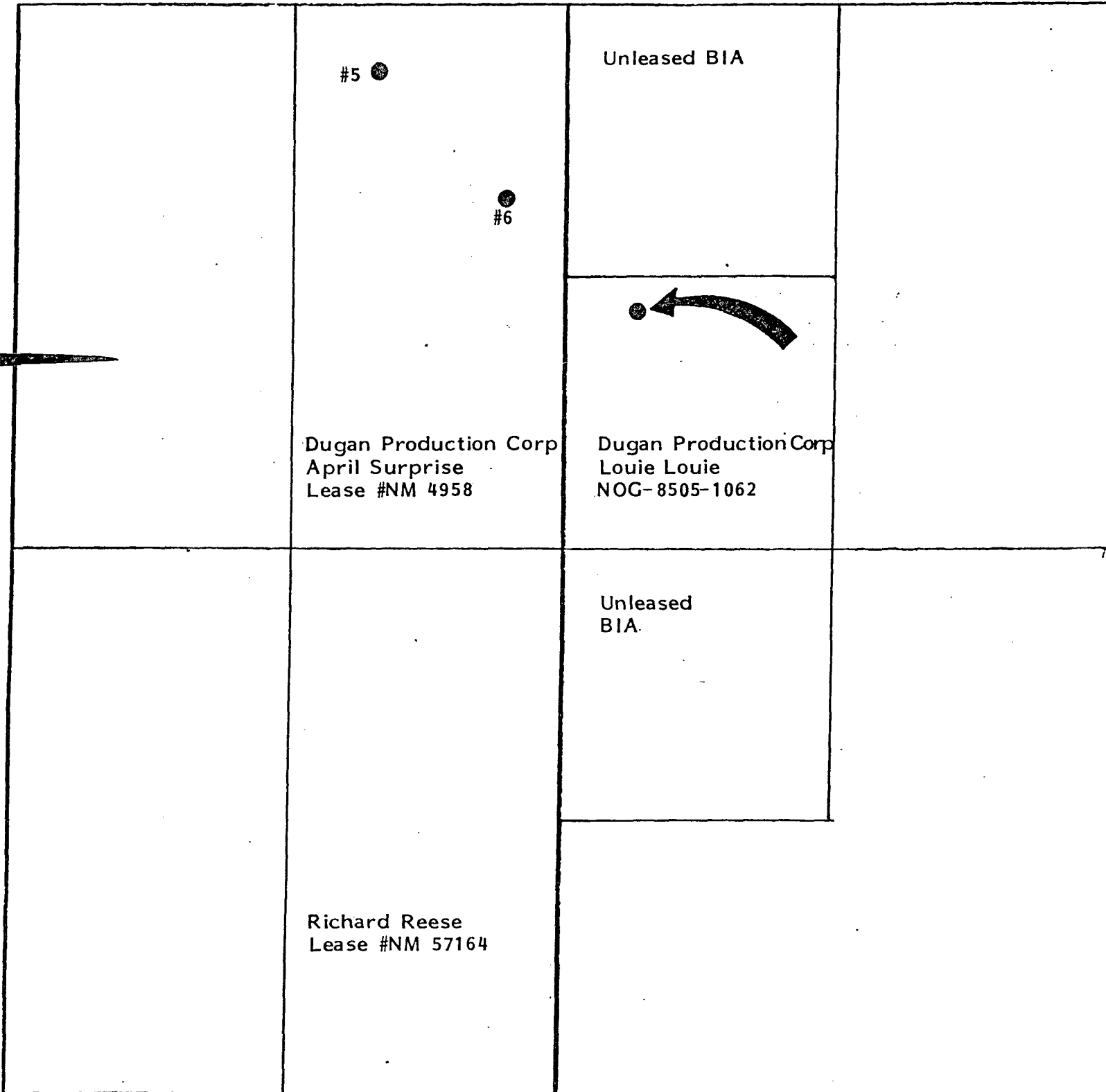
Dugan Production Corp.

Louie Louie #1

2290' FSL - 710' FWL

Sec. 8, T23N, R9W, NMPM

San Juan County, NM



APPLICATION FOR
UNORTHODOX LOCATION
OFFSETTING OPERATORS

DUGAN PRODUCTION CORP.
Louie Louie #1
2290' FSL - 710' FWL
Sec. 8, T23N, R9W, NMPM
San Juan County, NM