

dugan production corp.

OIL CONSERVATION DIVISION  
RECEIVED

94 JAN 11 AM 8 07

January 6, 1994

Mr. Michael E. Stogner  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

**Re: Application for Administrative Approval of  
Unorthodox Location for Dugan Production Corp's Okie #1  
1105' FSL & 840' FEL, Sec. 8, T24N, R8W, NMPM  
San Juan County, New Mexico  
Basin Fruitland Coal**

Dear Mr. Stogner:

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

The unorthodox location is necessary in order to salvage the wellbore of an unsuccessful Pictured Cliffs test. Originally, the Okie #1 was drilled to test the Pictured Cliffs Sandstone. The test was unsuccessful, the zone will be abandoned and a completion in the Fruitland Coal will be undertaken.

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 Order No. R-8768, Rule #8.

Sincerely,

Jim L. Jacobs  
Vice-President

KF/cg

attachs.

cc: Mr. Ernie Busch, NMOCD Aztec  
Offsetting Operators  
BLM, Farmington

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACERAGE DEDICATION PLAT**

1105  
840 E  
6917

All distances must be from the outer boundaries of the Section

Operator <b>OKLAHOMA OIL COMPANY</b>		Lease <b>FRENCH WASH</b>		Well No. <b>1</b>
Unit Letter <b>P</b>	Section <b>8</b>	Township <b>24 NORTH</b>	Range <b>8 WEST</b>	County <b>SAN JUAN</b>
Actual Footage Location of Well: <b>1105</b> feet from the <b>SOUTH</b> line and <b>840</b> feet from the <b>EAST</b> line				
Ground Level Elev. <b>6917</b>	Producing Formation <b>Pictured Cliff</b>	Pool <b>Wildcat</b>	Dedicated Acreage: <b>160</b>	Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 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 Commission.

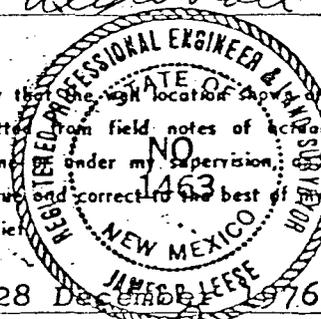
**CERTIFICATION**

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

John Alexander  
Name  
Agent  
Position  
Oklahoma Oil Company  
Company  
12-30-76  
Date

*John Alexander*

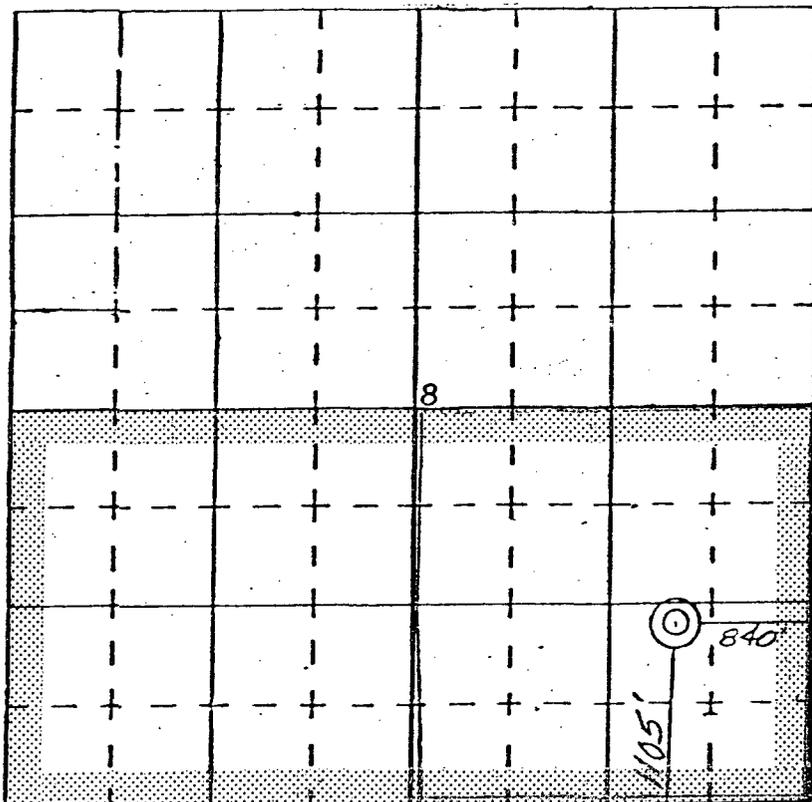
I hereby certify that the well location shown on this plat was plotted from field notes of accurate surveys made by me or under my supervision, that the same is true and correct to the best of my knowledge and belief.



28 December 1976  
Date Surveyed  
*James P. Leese*  
Registered Professional Engineer  
and/or Land Surveyor **James P. Leese**

**1463**

Certificate No.



R8W

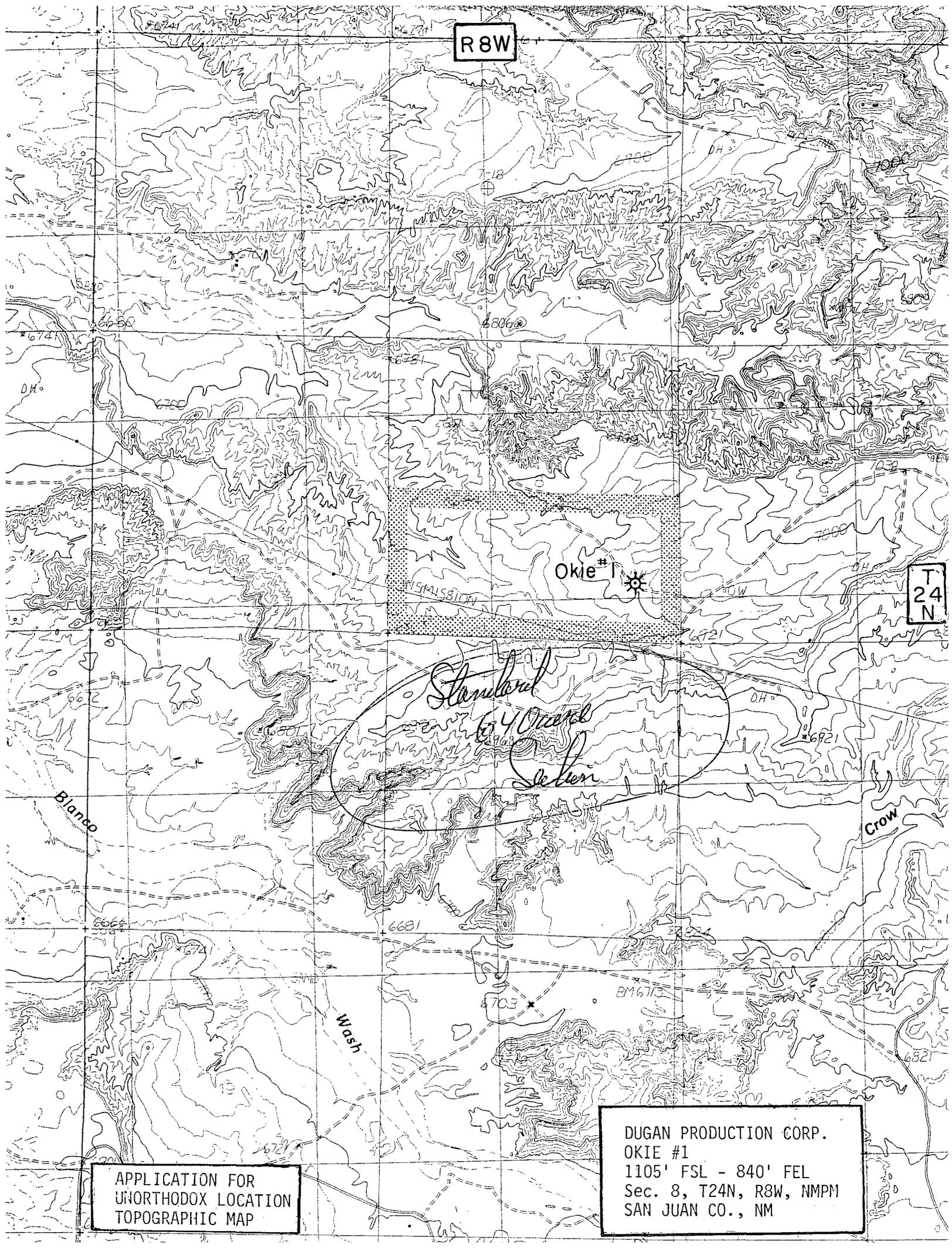
T  
24  
N

Okie #1

*Standard  
to 4 Quarter  
Section*

DUGAN PRODUCTION CORP.  
OKIE #1  
1105' FSL - 840' FEL  
Sec. 8, T24N, R8W, NMPM  
SAN JUAN CO., NM

APPLICATION FOR  
UNORTHODOX LOCATION  
TOPOGRAPHIC MAP



R9W

R8W

R9W

R8W

T  
25  
N

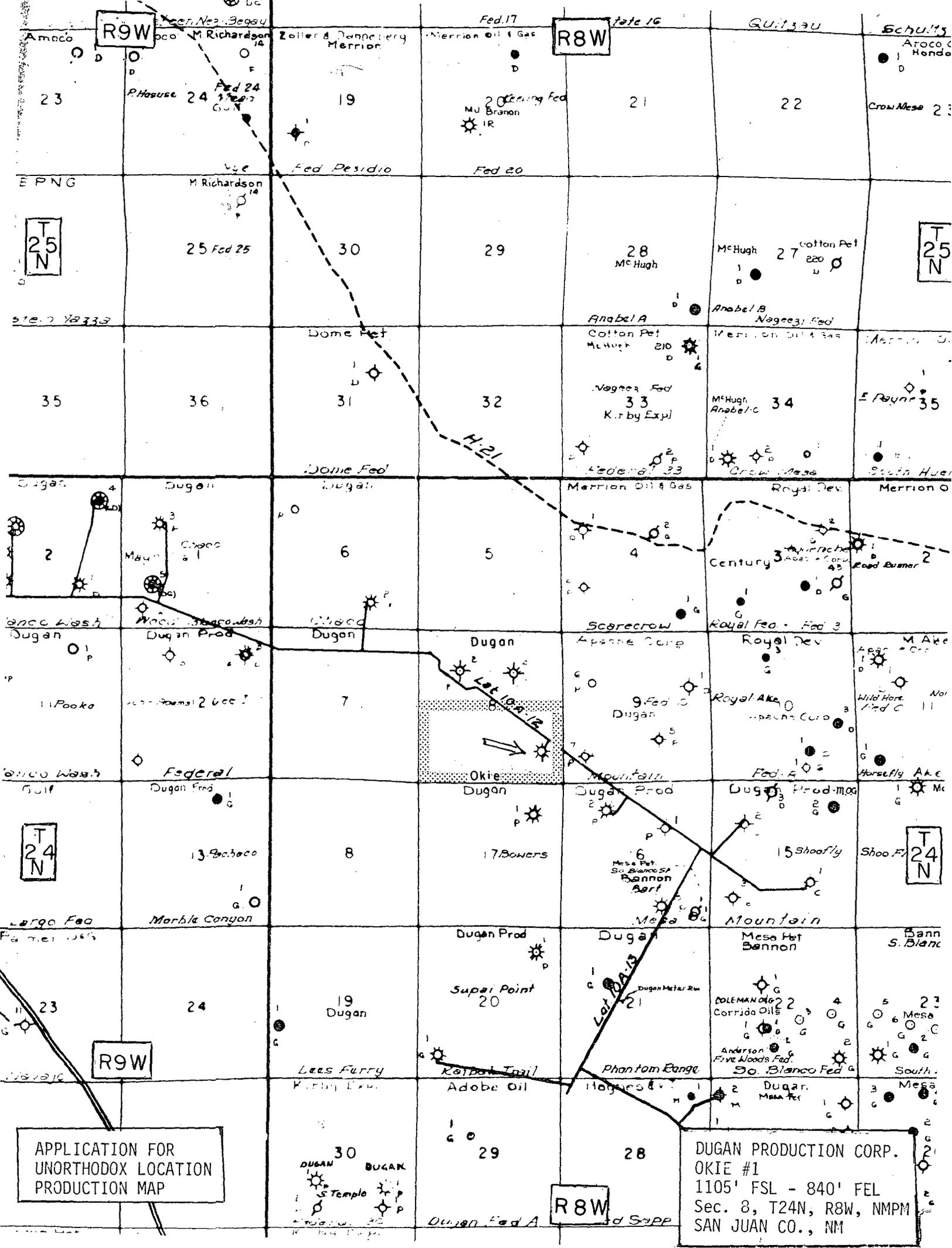
T  
25  
N

T  
24  
N

T  
24  
N

APPLICATION FOR  
UNORTHODOX LOCATION  
PRODUCTION MAP

DUGAN PRODUCTION CORP.  
OKIE #1  
1105' FSL - 840' FEL  
Sec. 8, T24N, R8W, NMPM  
SAN JUAN CO., NM



DUGAN DUGAN  
S Temple

Dugan Fed A

d Sapp

	NM-2337 Dugan	Morgan-Richard	Yates etal.	Federal (Open)	Merrion
	6		5		4
R.K. Lewis -Fee		Giant Exp.			
			NM-19567 Dugan	Celsius Ener.	Yates etal.
T 24 N	7		8		9
			Okie ☼1		NM-16789 Dugan
Navajo Allotted (Open)	NM-85307 Dugan		NM-26047 Dugan		LG-1917 Dugan
	18		17		16
				Mesa Petr.	
			R8W		

APPLICATION FOR  
UNORTHODOX LOCATION  
OFFSETTING OPERATORS

DUGAN PRODUCTION CORP.  
OKIE #1  
1105' FSL - 840' FEL  
Sec. 8, T24N, R8W, NMPM  
SAN JUAN CO., NM



# dugan production corp.

'94 MAR 1 AM 8 39

--Certified Mail--

January 6, 1994

*NSL-3344*

**SIGN & RETURN  
THIS COPY**

Celsius Energy  
P.O. Box 11070  
Salt Lake City, UT 84147

**Re: Application for Administrative Approval of  
Unorthodox Location for Dugan Production Corp's Okie #1  
1105' FSL & 840' FEL, Sec. 8, T24N, R8W, NMPM  
San Juan County, NM**

Gentlemen:

A copy of Dugan Production's Application for Administrative Approval of the unorthodox location for the subject well has been enclosed for your review.

If you do not have any objection to this unorthodox location, please sign all four copies of this waiver. Please send one executed copy each to the New Mexico Oil Conservation Division in Aztec and Santa Fe, NM and one executed copy to our office. Self-addressed, stamped envelopes are enclosed. The remaining copy is for your records.

Thank you for your assistance and cooperation in this matter.

Sincerely,

*Jim L. Jacobs*  
Jim L. Jacobs  
Vice-President

KF/cg

encs.

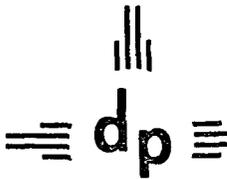
=====

WAIVER

Celsius Energy hereby waives objection to the above referenced application for unorthodox location for Dugan Production Corp's Okie #1 Well.

2/24/94  
Date

*John S. Hays*  
By:



# dugan production corp.

OIL CONSERVATION DIVISION  
RECEIVED

--Certified Mail--

January 6, 1994  
MAR 3 AM 8 39

NSL-3344

SIGN & RETURN  
THIS COPY

Celsius Energy  
P.O. Box 11070  
Salt Lake City, UT 84147

**Re: Application for Administrative Approval of  
Unorthodox Location for Dugan Production Corp's Okie #1  
1105' FSL & 840' FEL, Sec. 8, T24N, R8W, NMPM  
San Juan County, NM**

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Thank you for your assistance and cooperation in this matter.

Sincerely,

*Jim L. Jacobs*  
Jim L. Jacobs  
Vice-President

RECEIVED

FEB 28 1994

OIL CON. DIV.  
DIST. 3

KF/cg

encs.

=====

WAIVER

Celsius Energy hereby waives objection to the above referenced application for unorthodox location for Dugan Production Corp's Okie #1 Well.

2/24/94  
Date

John S. Meyer  
By:

Form 3160-5  
(June 1990)

OIL CONSERVATION DIVISION  
RECEIVED

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

5. Lease Designation and Serial No.  
NM 19867

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Okie #1

9. API Well No.

30-045-22307

10. Field and Pool, or Exploratory Area

Potwin PC

11. County or Parish, State

San Juan, NM

92 DEC 29 AM 9 16  
Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325-1821

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1105' FSL & 840' FEL  
Sec. 8, T24N, R8W, NMPM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Well Test</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

The subject well was tested through the sales meter for October, 1992. The integrated volume for the month is 44 MCF. Of this volume, 27 MCF was produced from the Bowers No.1 (common meter with Okie 1) on the first day of testing. This leaves 17 MCF being produced from the Okie No.1 for this month. This volume is a paying quantity.

This well will be left on production.

RECEIVED  
DEC 29 1992  
OIL CONSERVATION DIVISION

14. I hereby certify that the foregoing is true and correct

Signed John [Signature] Title Operations Manager Date 11/13/92

(This space for FEDERAL or STATE OFFICE USE)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ ACCEPTED FOR RECORD

Conditions of approval, if any:

DEC 02 1992

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See Instruction on Reverse Side

1000 NM 1001

'92 OCT 13 PM 4:55

UNITED STATES  
 DEPARTMENT OF THE INTERIOR  
 BUREAU OF LAND MANAGEMENT

RECEIVED  
 BLM

FORM APPROVED  
 Budget Bureau No. 1004-0135  
 Expires: March 31, 1993

5. Lease Designation and Serial No.  
 NM 19567

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Okie #1

9. API Well No.

30-045-22307

10. Field and Pool, or Exploratory Area

Potwin PC

11. County or Parish, State

San Juan, NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
 Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well  Gas Well  Other

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325-1821

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1105' FSL & 840' FEL  
 Sec. 8, T24N, R8W, NMPM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Test Well</u>	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

RECEIVED  
 OCT 01 1992  
 OIL CON. DIV  
 DIST. 9

Swab to establish production. Possibly acidize and test again.

THIS APPROVAL EXPIRES OCT 09 1992

14. I hereby certify that the foregoing is true and correct

Signed John Alexander Title Operations Manager Date 9/23/92

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_  
 Conditions of approval, if any:

See

APPROVED

SEP 28 1992

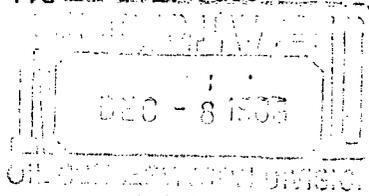
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See Instruction on Reverse Side

BLM

4-NMOCD

1-File 1-El Paso



STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

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TRANSPORTER	OIL
	GAS
OPERATOR	
PRORATION OFFICE	

OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-104 Revised 10-01-78 Format 06-01-83 Page 1

REQUEST FOR ALLOWABLE AND

AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

NOV 6 1986

I. Operator  
DUGAN PRODUCTION CORP.

Address  
P.O. Box 208, Farmington, NM 87499

Reason(s) for filing (Check proper box)

<input type="checkbox"/> New Well	Change in Transporter of:	<input checked="" type="checkbox"/> Dry Gas
<input type="checkbox"/> Recompletion	<input type="checkbox"/> Oil	<input type="checkbox"/> Condensate
<input type="checkbox"/> Change in Ownership	<input type="checkbox"/> Casinghead Gas	

Other (Please explain)  
This is a Central Point Delivery.

If change of ownership give name and address of previous owner

II. DESCRIPTION OF WELL AND LEASE

Lease Name Okie	Well No. 1	Pool Name, Including Formation Potwin - PC	Kind of Lease State, Federal or Fee Fed.	Lease No. NM 19567
Location Unit Letter <u>P</u> ; <u>1105</u> Feet From The <u>South</u> Line and <u>840</u> Feet From The <u>East</u> Line of Section <u>8</u> Township <u>24N</u> Range <u>8W</u> , NMPM, <u>San Juan</u> County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Dugan Production Corp.	P.O. Box 208, Farmington, NM 87499
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rqs. Is gas actually connected? When
	Yes

If this production is commingled with that from any other lease or pool, give commingling order number:

NOTE: Complete Parts IV and V on reverse side if necessary.

VI. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given is true and complete to the best of my knowledge and belief.

Jim L. Jacobs (Signature)  
Geologist (Title)  
11-25-86 (Date)

OIL CONSERVATION DIVISION

APPROVED \_\_\_\_\_  
BY \_\_\_\_\_  
TITLE \_\_\_\_\_

This form is to be filed in compliance with RULE 1104.  
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.  
All sections of this form must be filled out completely for allowable on new and recompleted wells.  
Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter, or other such change of condition.  
Separate Forms C-104 must be filed for each pool in multiply completed wells.

EL PASO NATURAL GAS COMPANY  
POST OFFICE BOX 990  
FARMINGTON, NEW MEXICO

NOTICE OF GAS CONNECTION

DATE September 9, 1982

THIS IS TO NOTIFY THE OIL CONSERVATION COMMISSION THAT CONNECTION FOR PURCHASE OF

16

GAS FROM <u>Dugan Production Corp.</u> Operator		<u>Okie #1</u> Well Name	
<u>94-450-01</u> Meter Code	<u>24694-01</u> Site Code	<u>P</u> Well Unit	<u>8-24-8</u> S-T-R
<u>Potwin Pictured Cliffs</u> Pool		<u>El Paso Natural Gas Company</u> Name of Purchaser	

WAS MADE ON August 30, 1982,  
Date

FIRST DELIVERY August 30, 1982  
Date

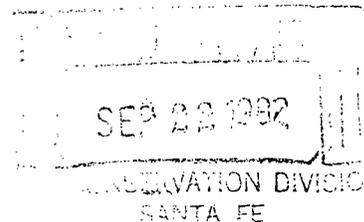
AOF ----

CHOKE 43

F  
0415

El Paso Natural Gas Company  
Purchaser  
M. H. M. [Signature]  
Representative  
Chief Division Dispatcher  
Title

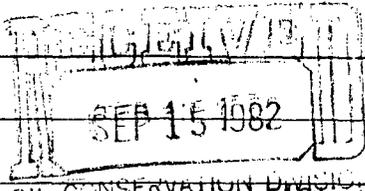
cc: Operator Farmington  
Oil Conservation Commission - 2  
~~Production~~ El Paso Production Control  
Contract Administration  
File



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	GAS
OPERATOR	
PRORATION OFFICE	

NEW MEXICO OIL CONSERVATION COMMISSION  
REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104  
Supersedes Old C-104 and C-1  
Effective 1-1-65



**I. OPERATOR**  
 Operator: DUGAN PRODUCTION CORP.  
 Address: P O Box 208, Farmington, NM 87401  
 Reason(s) for filing (Check proper box):  
 New Well  \*\* Change In Transporter of: SANTA FE  
 Recompletion  Oil  Dry Gas  
 Change In Ownership  Casinghead Gas  Condensate  Other (Please explain): \*\*This was completed in 1977 and has been waiting on pipeline.

16

If change of ownership give name and address of previous owner

**II. DESCRIPTION OF WELL AND LEASE**

Lease Name Okie	Well No. 1	Pool Name, including Formation Potwin - PC	Kind of Lease State, Federal or Fee Fed	Lease No. NM 19567
Location Unit Letter <u>P</u> , <u>1105</u> Feet From The <u>South</u> Line and <u>840</u> Feet From The <u>East</u> Line of Section <u>8</u> Township <u>24N</u> Range <u>8W</u> , NMPM, <u>San Juan</u> County				

**III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS**

Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent)
El Paso Natural Gas Co.	P O Box 990, Farmington, NM 87401
If well produces oil or liquids, give location of tanks.	Unit Sec. Twp. Rge. Is gas actually connected? When

If this production is commingled with that from any other lease or pool, give commingling order number:

**IV. COMPLETION DATA**

Designate Type of Completion - (X)	Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Res'v.	Diff. Res'v.
		XX	XX					
Date Spudded 1-14-77	Date Compl. Ready to Prod. 2-7-77	Total Depth 2160'	P.B.T.D.					
Elevations (DF, RKB, RT, GR, etc.) 6917' GL	Name of Producing Formation Pictured Cliffs	Top Oil/Gas Pay 2045	Tubing Depth 2071'					
Perforations 2045-52	Depth Casing Shoe 2154'							
<b>TUBING, CASING, AND CEMENTING RECORD</b>								
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET	SACKS CEMENT					
12-1/4"	8-5/8"	93'	65					
8"	4-1/2"	2154'	135 sx					
	2 3/8	2071						

**V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL** (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil - Bbls.	Water - Bbls.	Gas - MCF

**GAS WELL**

Actual Prod. Test - MCF/D 43	Length of Test 3 hrs	Bbls. Condensate/MCF ---	Gravity of Condensate ---
Testing Method (pilot, back pr.) back pressure	Tubing Pressure (shut-in) ---	Casing Pressure (shut-in) 544 SI	Choke Size ---

**VI. CERTIFICATE OF COMPLIANCE**

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

*Thomas A. Dugan*

Thomas A. Dugan (Signature)  
Petroleum Engineer (Title)

8-17-82

(Date)

OIL CONSERVATION COMMISSION

APPROVED ADD 19 NOV, 19  
BY [Signature]  
TITLE \_\_\_\_\_

This form is to be filed in compliance with RULE 1104.  
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 All sections of this form must be filled out completely for allowable on new and recompleted wells.  
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**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY**

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

Form approved.  
Budget Bureau No. 42-R355.5

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG\***

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_

b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESVR.  Other \_\_\_\_\_

2. NAME OF OPERATOR  
Dugan Production Corp.

3. ADDRESS OF OPERATOR  
Box 234, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements):  
At surface 1105' FSL - 840' FEL  
At top prod. interval reported below  
At total depth \_\_\_\_\_

14. PERMIT NO. \_\_\_\_\_ DATE ISSUED \_\_\_\_\_

5. LEASE DESIGNATION AND SERIAL NO.

NM-19567

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Okie

9. WELL NO.

#1

10. FIELD AND POOL, OR WILDCAT

Potwin - PC

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec 8 T24N R8W

12. COUNTY OR PARISH

San Juan

13. STATE

NM

15. DATE SPUNDED 1-14-77 16. DATE T.D. REACHED 1-23-77 17. DATE COMPL. (Ready to prod.) 2-7-77 18. ELEVATIONS (DF, RES, BT, GR, ETC.)\* 6917' GR 19. ELEV. CASINGHEAD \_\_\_\_\_

20. TOTAL DEPTH, MD & TVD 2160' 21. PLUG, BACK T.D., MD & TVD \_\_\_\_\_ 22. IF MULTIPLE COMPL. HOW MANY\* Single - Gas 23. INTERVALS DRILLED BY \_\_\_\_\_ ROTARY TOOLS \_\_\_\_\_ CABLE TOOLS \_\_\_\_\_

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)\*  
Pictured Cliffs 2045-52 25. WAS DIRECTIONAL SURVEY MADE \_\_\_\_\_

26. TYPE ELECTRIC AND OTHER LOGS RUN  
FDC/CNL IES Cement Bond GR/CCL 27. WAS WELL CORDED \_\_\_\_\_

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	20#	93'	12-1/4	65 SX	
4-1/2"	9.5#	2154'	8	135 SX	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8	2071	

31. PERFORATION RECORD (Interval, size and number) 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
2045-52	See Sundry Notice 3-17-77 for detailed info

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)	WELL STATUS (Producing or shut-in)
	Swabbing	SI

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO
4-4-78	3 hrs	---	→	---	43	---	---

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)
---	544 SI	→	---	43	---	---

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) \_\_\_\_\_ TEST WITNESSED BY Dugan

35. LIST OF ATTACHMENTS \_\_\_\_\_

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Thomas A. Dugan TITLE Petroleum Engineer DATE 6-19-78

\* (See Instructions and Spaces for Additional Data on Reverse Side)

24010241241



UNITED STATES DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN TRIPPLICATE\*  
(Other instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
Dugan Production Corp.

3. ADDRESS OF OPERATOR  
Box 234, Farmington, NM 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\* See also space 17 below.)  
At surface  
1105' FSL - 840' FEL

14. PERMIT NO. 15. ELEVATIONS (Show whether DF, RT, GR, etc.)  
6917' GR

5. LEASE DESIGNATION AND SERIAL NO.  
NM-19567

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME  
Okie

9. WELL NO.  
#1

10. FIELD AND POOL, OR WILDCAT  
Wildcat

11. SEC. T. R., M., OR BLK. AND SURVEY OR AREA  
Sec 8 T24N 88W

12. COUNTY OR PARISH  
San Juan

13. STATE  
NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>	(Other) <input type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

CHANGE OF OWNERSHIP

Effective February 27, 1978

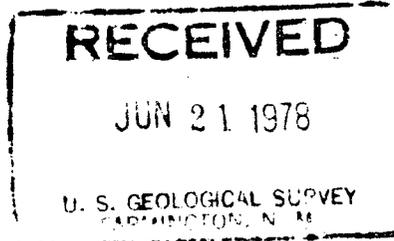
From: Oklahoma Oil Co. TO: Dugan Production Corp.

CHANGE OF WELL NAME

Effective February 27, 1978

From: French Wash #1

To: Okie #1



18. I hereby certify that the foregoing is true and correct

SIGNED Thomas A. Dugan TITLE Petroleum Engineer

DATE 6-19-78

(This space for Federal or State office use)

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

*Okie*

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

SUBMIT IN TRIPPLICATE\*  
(Other instructions on re-  
verse side)

Form G-2 (Rev. 1-67)  
Budget Bureau No. 42-R1424

5. LEASE DESIGNATION AND SERIAL NO.

NM-19567

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.  
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL  GAS WELL  OTHER

7. UNIT AGREEMENT NAME

2. NAME OF OPERATOR  
Oklahoma Oil Company

8. FARM OR LEASE NAME

French Wash

3. ADDRESS OF OPERATOR  
Suite 11s0, One Energy Square, Dallas, Texas 75206

9. WELL NO.

1

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\*  
See also space 17 below.)  
At surface

10. FIELD AND POOL, OR WILDCAT

Potwin P.C.

1105' FSL & 840' FEL

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec 8, T24N, R8W

14. PERMIT NO. 15. ELEVATIONS (Show whether DF, RT, GR, etc.)  
6917 GL

12. COUNTY OR PARISH

San Juan

13. STATE

New Mexico

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF   
FRACTURE TREAT   
SHOOT OR ACIDIZE   
REPAIR WELL   
(Other)

PULL OR ALTER CASING   
MULTIPLE COMPLETE   
ABANDON\*   
CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF   
FRACTURE TREATMENT   
SHOOTING OR ACIDIZING   
(Other)

REPAIRING WELL   
ALTERING CASING   
ABANDONMENT\*

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Moved in completion rig. Ran GR-CCL and cement bond logs. Perforate Pictured Cliff 2045-52. Ran 2 3/8 tubing to 2071 feet. Spotted 250 gallon 15% BDA acid and broke down perforations at 1200 psi. Pull tubing to 1979 feet and land in tubing head. Fractured down tubing and casing with 70/30 quality foam, 16,000 gallons foam with 14,000# 20-40 sand. Average injection rate 15 barrels per minute. Average pressure 1800 psi, instant shut in pressure 1325 psi. After N<sub>2</sub> recovered, gas rate too small to measure. Lower tubing to 2070 feet. Swab small amount of foam fluid. Gas rate too small to measure. Shut in for build up.

APR 18 1977

18. I hereby certify that the foregoing is true and correct

SIGNED

*John Alexander*  
John Alexander  
(This space for Federal or State office use)

Agent

TITLE

3-17-77

DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

**UNITED STATES**  
**DEPARTMENT OF THE INTERIOR**  
**GEOLOGICAL SURVEY**

SUBMIT IN TRIPPLICATE\*  
(Other instructions on re-  
verse side)

Form approved.  
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.

NM-19567

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

French Wash

9. WELL NO.

1

10. FIELD AND POOL, OR WILDCAT

Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR ABEA

Sec 8, T24N, R8W

12. COUNTY OR PARISH 13. STATE

San Juan New Mexico

1. OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
Oklahoma Oil Company

3. ADDRESS OF OPERATOR  
Suite 1120, One Energy Square, Dallas, Texas 75206

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.\* See also space 17 below.)  
At surface  
840' FEL & 1105' FSL

14. PERMIT NO. 15. ELEVATIONS (Show whether DF, RT, GR, etc.)  
6917 GL

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF  PULL OR ALTER CASING   
 FRACTURE TREAT  MULTIPLE COMPLETE   
 SHOOT OR ACIDIZE  ABANDON\*   
 REPAIR WELL  CHANGE PLANS   
 (Other)

SUBSEQUENT REPORT OF:

WATER SHUT-OFF  REPAIRING WELL   
 FRACTURE TREATMENT  ALTERING CASING   
 SHOOTING OR ACIDIZING  ABANDONMENT\*   
 (Other)

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Moved in and rigged up rotary tools. Drilled 12 1/4" hole to 100 feet. Ran 91 feet of 8 5/8 20# casing set at 93 feet. Cemented with 65 sacks class "B" + 2% CaCl<sub>2</sub>. Circulated 19 sacks cement. Plug down 1500 hours 1-15-77. Wait on cement 12 hours. Will drill out with 6 1/4 bit.



JAN 20 1977

U. S. GEOLOGICAL SURVEY

18. I hereby certify that the foregoing is true and correct

SIGNED John Alexander  
(This space for Federal or State office use)

TITLE Agent

DATE 1-19-77

APPROVED BY \_\_\_\_\_  
CONDITIONS OF APPROVAL, IF ANY:

TITLE \_\_\_\_\_

DATE \_\_\_\_\_

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

30-048-22307

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK  
 DRILL                       DEEPEN                       PLUG BACK

b. TYPE OF WELL  
 OIL WELL                       GAS WELL                       OTHER   
 SINGLE ZONE                       MULTIPLE ZONE

2. NAME OF OPERATOR  
 Oklahoma Oil Company

3. ADDRESS OF OPERATOR  
 Suite 1120, One Energy Square, Dallas, Texas 75206

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
 At surface  
 840' FEL & 1105' FSL  
 At proposed prod. zone                      Same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 6 miles southeast of Blanco Trading Post

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)                      840

16. NO. OF ACRES IN LEASE                      1240

17. NO. OF ACRES ASSIGNED TO THIS WELL                      160 ✓

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH                      2100

20. ROTARY OR CABLE TOOLS                      Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)                      6917

12. COUNTY OR PARISH: San Juan                      13. STATE: New Mexico

22. APPROX. DATE WORK WILL START\*                      1-5-77

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4	8 5/8	20#	45'	35 sacks class "B" + 2% CaCl <sub>2</sub>
6 1/4	4 1/2	10.5#	2100'	100 sacks 65-35 class "B" Poz + 12% gel
				150 sacks class "B" + 2% CaCl <sub>2</sub>

Move in - rig up rotary tools. Drill 12 1/4 hole to 45 feet. Set 45 feet of new 8 5/8" 20# casing and cement as indicated above. Wait on cement 12 hours. Install 6" 900 series blow out preventer and test. Drill 6 1/4 hole to 2100 feet. No abnormal temperature or pressure is expected. Well will be drilled with a gel-chem mud to total depth with mud characteristics of 9.0-9.2# per gallon, WL 8-10 cc and 30-40 viscosity. Open hole logs to be run as follows: DIL, FDC-CNL and GR-Caliper. If commercial, 4 1/2 casing will be run and cemented as indicated above. If non-commercial, well will be plugged and abandoned as per U.S.G.S. instructions.

GAS NOT DEDICATED

RECEIVED

DEC 30 1976

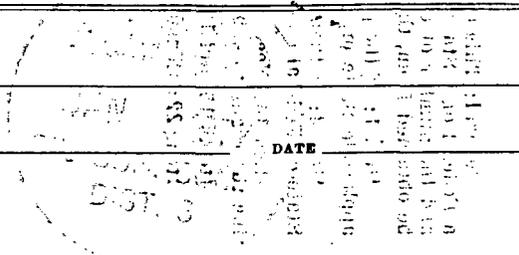
IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and proposed true vertical depths. Give blowout preventer program, if any.

24. SIGNED John Alexander TITLE Agent DATE 12-30-76  
 (This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

CONDITIONS OF APPROVAL, IF ANY:



OK

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACERAGE DEDICATION PLAT**

1105-5  
840 E #1  
6917

All distances must be from the outer boundaries of the Section

Operator <b>OKLAHOMA OIL COMPANY</b>		Lease <b>FRENCH WASH</b>		Well No. <b>1</b>	
Unit Letter <b>P</b>	Section <b>8</b>	Township <b>24 NORTH</b>	Range <b>8 WEST</b>	County <b>SAN JUAN</b>	
Actual Footage Location of Well: <b>1105</b> feet from the <b>SOUTH</b> line and <b>840</b> feet from the <b>EAST</b> line					
Ground Level Elev. <b>6917</b>	Producing Formation <b>Picturec Cliff</b>		Pool <b>Wildcat</b>	Dedicated Avereage: <b>160</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 consolidated. (Use reverse side of this Form if necessary.) .....

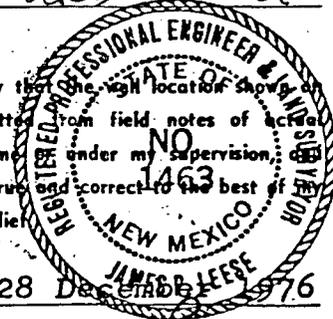
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non standard unit, eliminating such interests, has been approved by the Commission.

**CERTIFICATION**

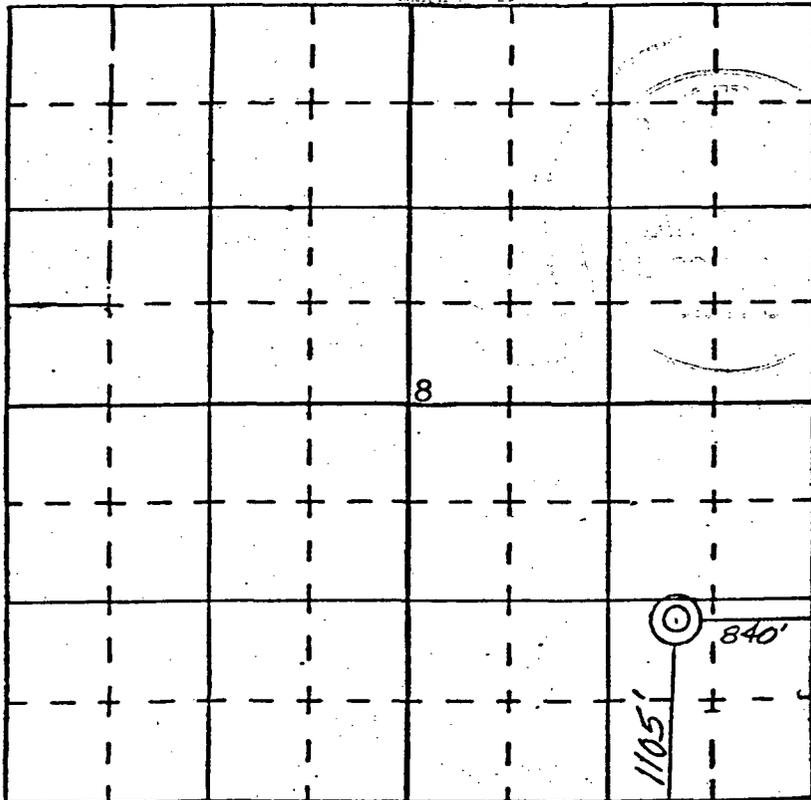
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

John Alexander  
Name  
Agent  
Position  
Oklahoma Oil Company  
Company  
12-30-76  
Date  
John Alexander

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me under my supervision and that the same is true and correct to the best of my knowledge and belief.



28 Dec 1976  
Date Surveyed  
James P. Leese  
Registered Professional Engineer  
and/or Land Surveyor **James P. Leese**



1463

Certificate No.



STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

January 12, 1994

Dugan Production Corporation  
P.O. Box 420  
Farmington, NM 87499-0420

Attention: Jim L. Jacobs, Vice President

**RE: *Application for Administrative Approval of an unorthodox coal gas well location for Okie Well No. 1. 1105' FSL - 840' FEL (Unit P) of Section 8, Township 24 North, Range 8 West, NMPM, San Juan County, New Mexico.***

Dear Mr. Jacobs:

To complete the subject application please provide us a copy of the letter of notice to all offset operators contacted and a copy of the return receipt cards.

This information should be adequate to complete the subject filing. Should you have any questions, please contact me.

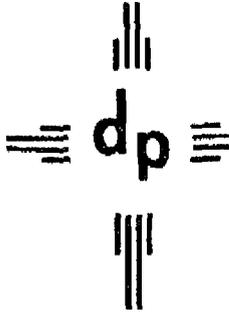
Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner".

Michael E. Stogner  
Chief Hearing Officer/Engineer

MES/amg

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



# dugan production corp.

## FAX TRANSMITTAL

DATE: 1/21/94 TIME: 11:20  
TO: Anna Griego  
COMPANY: New Mexico Oil Conservation Div. - Santa Fe  
DEPARTMENT: \_\_\_\_\_  
FAX NO. 505-827-5741 TELEPHONE NO. \_\_\_\_\_

You should receive 2 pages including this cover sheet. If you did not receive all pages or you are unable to read any pages, please contact:

FROM: Cheri Gunn TELEPHONE NO. 505/325-1821, ext. 29

Per our phone conversation this morning, attached please find return receipt card from Celsius Energy (offset operator). This should complete our application for administrative approval of unorthodox location for:

Dugan Production Corp's Okie #1  
Basin Fruitland Coal  
1105' FSL & 840' FEL  
Unit P, Sec. 8, T24N, R8W  
San Juan County, NM

UNITED STATES POSTAL SERVICE

Official Business



PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE \$300



Print your name, address and ZIP Code here

Dugan Production Corp.  
P.O. Box 420  
Farmington, NM 87499-0420

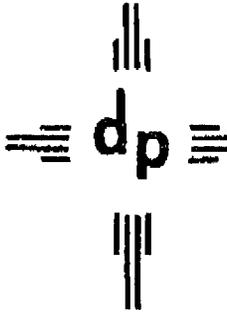
Attn: *[Handwritten signature]*

Is your RETURN ADDRESS completed on the reverse side?	<b>SENDER:</b> <i>OK, E, #1</i> • Complete items 1 and/or 2 for additional services. • Complete items 3, and 4a & b. • Print your name and address on the reverse of this form so that we can return this card to you. • Attach this form to the front of the mailpiece, or on the back if space does not permit. • Write "Return Receipt Requested" on the mailpiece below the article number. • The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
	3. Article Addressed to:  Celsius Energy P.O. Box 11070 Salt Lake City, UT 84147		4a. Article Number P 157 111 <del>468</del>	
	5. Signature (Addressee)		4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise	
	6. Signature (Agent)  <i>[Handwritten signature]</i>		7. Date of Delivery JAN 10	
		8. Addressee's Address (Only if requested and fee is paid)		

Thank you for using Return Receipt Service.

PS Form 3811, December 1991 U.S.G.P.O. 1992-307-530

**DOMESTIC RETURN RECEIPT**



# dugan production corp.

## FAX TRANSMITTAL

DATE: 1/20/94 TIME: 11:20  
TO: Anna Griego  
COMPANY: New Mexico Oil Conservation Div. - Santa Fe  
DEPARTMENT: \_\_\_\_\_  
FAX NO. 505-827-5741 TELEPHONE NO. \_\_\_\_\_

You should receive 2 pages including this cover sheet. If you did not receive all pages or you are unable to read any pages, please contact:

FROM: Cheri Gunn TELEPHONE NO. 505/325-1821, ext. 29

Per our phone conversation this morning, attached please find return receipt card from Celsius Energy (offset operator). This should complete our application for administrative approval of unorthodox location for:

Dugan Production Corp's Okie #1  
Basin Fruitland Coal  
1105' FSL & 840' FEL  
Unit P, Sec. 8, T24N, R8W  
San Juan County, NM

UNITED STATES POSTAL SERVICE

Official Business



PENALTY FOR PRIVATE USE TO AVOID PAYMENT OF POSTAGE \$300

Print your name, address and ZIP Code here

Dugan Production Corp.  
P.O. Box 420  
Farmington, NM 87499-0420

Attn: *[Handwritten signature]*

Is your RETURN ADDRESS completed on the reverse side?	<b>SENDER: OK, E #1</b> • Complete items 1 and/or 2 for additional services. • Complete items 3, and 4a & b. • Print your name and address on the reverse of this form so that we can return this card to you. • Attach this form to the front of the mailpiece, or on the back if space does not permit. • Write "Return Receipt Requested" on the mailpiece below the article number. • The Return Receipt will show to whom the article was delivered and the date delivered.		I also wish to receive the following services (for an extra fee): 1. <input type="checkbox"/> Addressee's Address 2. <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.	
	3. Article Addressed to:  Celsius Energy P.O. Box 11070 Salt Lake City, UT 84147		4a. Article Number P 157 111 458	
			4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail <input checked="" type="checkbox"/> Return Receipt for Merchandise	
	5. Signature (Addressee)  6. Signature (Agent)		7. Date of Delivery <b>JAN 10</b>  8. Addressee's Address (Only if requested and fee is paid)	

Thank you for using Return Receipt Service.

PS Form 3811, December 1991 \* U.S.G.P.O.: 1992-307-530

**DOMESTIC RETURN RECEIPT**

**CELSIUS ENERGY COMPANY**

1331 17th Street  
Suite 800  
Denver, CO 80202  
(303) 296-8945

Fax # (303) 294-9632

**\*\*\*FAX COVER SHEET\*\*\***

DATE: 1/26/94

COPIES BEING TRANSMITTED: 2  
(Including Cover Sheet)

DELIVER TO: Mike Stogren

FROM: Greg Martin      505-827-~~###~~  
505-827-5741

COMMENTS:  
Forwarding signed waiver to you  
per instructions from Ernie Busch

IF TRANSMISSION IS NOT COMPLETE PLEASE CALL: (303) 296-8945

JAN 26 1994 09:44 OGD AZTEC NM

P.2

# dugan production corp.



--Certified Mail--

January 6, 1994

Celsius Energy  
P.O. Box 11070  
Salt Lake City, UT 84147

Re: Application for Administrative Approval of  
Unorthodox Location for Dugan Production Corp's Okie #1  
1105' FSL & 840' FEL, Sec. 8, T24N, R9W, NMPM  
San Juan County, NM

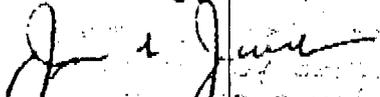
Gentlemen:

A copy of Dugan Production's Application for Administrative Approval of the unorthodox location for the subject well has been enclosed for your review.

If you do not have any objection to this unorthodox location, please sign all four copies of this waiver. Please send one executed copy each to the New Mexico Oil Conservation Division in Aztec and Santa Fe, NM and one executed copy to our office. Self-addressed, stamped envelopes are enclosed. The remaining copy is for your records.

Thank you for your assistance and cooperation in this matter.

Sincerely,

  
Jim L. Jacobs  
Vice-President

KF/cg

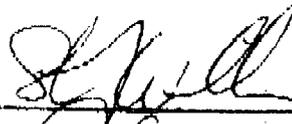
encs.

RECEIVED  
JAN 24 1994  
OIL CON. DIV.  
DIST. 3

## WAIVER

Celsius Energy hereby waives objection to the above referenced application for unorthodox location for Dugan Production Corp's Okie #1 Well.

1/26/94  
Date

  
By: General Manager

709 E. MURRAY DR. • P. O. BOX 420 • FARMINGTON, N.M. 87499-0420 • PHONE: (505) 325-1821 • FAX# (505) 327-4613



OIL CONSERVATION DIVISION STATE OF NEW MEXICO  
 ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT  
 '94 JAN 27 AM 10 03 OIL CONSERVATION DIVISION  
 AZTEC DISTRICT OFFICE

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

Date: 1-26-94

*attn: Mike Stogner*

Oil Conservation Division  
 P.O. Box 2088  
 Santa Fe, NM 87504-2088

RE: Proposed MC \_\_\_\_\_  
 Proposed NSL A \_\_\_\_\_  
 Proposed WFX \_\_\_\_\_  
 Proposed NSP \_\_\_\_\_

Proposed DHC \_\_\_\_\_  
 Proposed SWD \_\_\_\_\_  
 Proposed PMX \_\_\_\_\_  
 Proposed DD \_\_\_\_\_

Gentlemen:

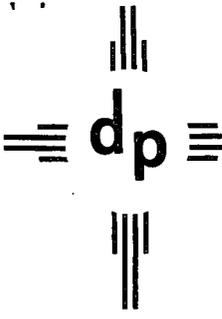
I have examined the application received on 1-7-94  
 for the DUGAN PROD CORP French OTE #1  
 OPERATOR LEASE & WELL NO.

P-08-24N-08W and my recommendations are as follows:  
 UL-S-T-R

Approve  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Yours truly,

*Ernest Burch*



# dugan production corp

OIL CONSERVATION DIVISION  
RECEIVED  
1994 JAN 20 AM 8 58

January 18, 1994

Mr. Michael E. Stogner  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

**Re: Application for Administrative Approval of  
Unorthodox Location for Dugan Production Corp's Okie #1  
Basin Fruitland Coal  
1105' FSL & 840' FEL,  
Unit P, Sec. 8, T24N, R8W, NMPM  
San Juan County, New Mexico**

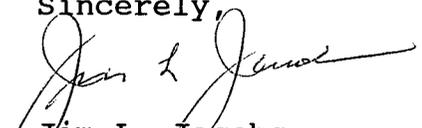
Dear Mr. Stogner:

Attached please find a copy of the letter mailed to Celsius Energy, the only offset operator involved in the subject application. We mailed this to Celsius Energy at their Salt Lake City office, and they forwarded it to their Denver office. A copy of the receipt for Certified Mail is attached. Our office does not have the return receipt card, but received verbal confirmation from Mr. John Geyer of Celsius Energy's Denver office of receipt of the attached letter and subject application.

If you need further information to complete the subject filing, please contact Cheri Gunn at 505-325-1821, ext. 29.

Thank you.

Sincerely,

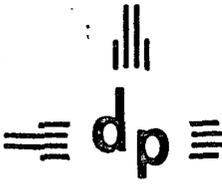
  
Jim L. Jacobs  
Vice-President

encs.

cg

*Note: Copy 1st three pages to E. Busch 1/21/94*





# dugan production corp.

--Certified Mail--

January 6, 1994

Celsius Energy  
P.O. Box 11070  
Salt Lake City, UT 84147

**Re: Application for Administrative Approval of  
Unorthodox Location for Dugan Production Corp's Okie #1  
1105' FSL & 840' FEL, Sec. 8, T24N, R8W, NMPM  
San Juan County, NM**

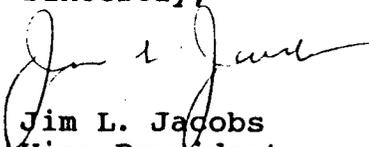
Gentlemen:

A copy of Dugan Production's Application for Administrative Approval of the unorthodox location for the subject well has been enclosed for your review.

If you do not have any objection to this unorthodox location, please sign all four copies of this waiver. Please send one executed copy each to the New Mexico Oil Conservation Division in Aztec and Santa Fe, NM and one executed copy to our office. Self-addressed, stamped envelopes are enclosed. The remaining copy is for your records.

Thank you for your assistance and cooperation in this matter.

Sincerely,



Jim L. Jacobs  
Vice-President

KF/cg

encs.

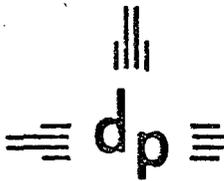
=====

WAIVER

Celsius Energy hereby waives objection to the above referenced application for unorthodox location for Dugan Production Corp's Okie #1 Well.

\_\_\_\_\_  
Date

\_\_\_\_\_  
By:



# dugan production corp.

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January 6, 1994

Mr. Michael E. Stogner  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504-2088

Re: Application for Administrative Approval of  
Unorthodox Location for Dugan Production Corp's Okie #1  
1105' FSL & 840' FEL, Sec. 8, T24N, R8W, NMPM  
San Juan County, New Mexico  
Basin Fruitland Coal

Dear Mr. Stogner:

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

The unorthodox location is necessary in order to salvage the wellbore of an unsuccessful Pictured Cliffs test. Originally, the Okie #1 was drilled to test the Pictured Cliffs Sandstone. The test was unsuccessful, the zone will be abandoned and a completion in the Fruitland Coal will be undertaken.

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 Order No. R-8768, Rule #8.

Sincerely,

Jim L. Jacobs  
Vice-President

KF/cg

attachs.

cc: Mr. Ernie Busch, NMOCD Aztec  
Offsetting Operators  
BLM, Farmington

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACERAGE DEDICATION PLAT**

1105' E  
840' E  
6917

All distances must be from the outer boundaries of the Section

Operator <b>OKLAHOMA OIL COMPANY</b>		Lease <b>FRENCH WASH</b>		Well No. <b>1</b>	
Unit Letter <b>P</b>	Section <b>8</b>	Township <b>24 NORTH</b>	Range <b>8 WEST</b>	County <b>SAN JUAN</b>	
Actual Footage Location of Well: <b>1105</b> feet from the <b>SOUTH</b> line and <b>840</b> feet from the <b>EAST</b> line					
Ground Level Elev. <b>6917</b>	Producing Formation <b>Pictured Cliff</b>		Pool <b>Wildcat</b>	Dedicated Acreage: <b>160</b> Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure 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 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 Commission.

**CERTIFICATION**

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

John Alexander  
Name

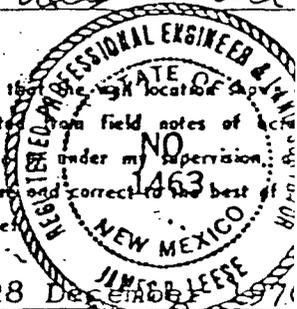
Agent  
Position

Oklahoma Oil Company  
Company

12-30-76  
Date

John Alexander

I hereby certify that the location of this plat was plotted from field notes of surveys made by me under my supervision, that the same is true and correct to the best of knowledge and belief.

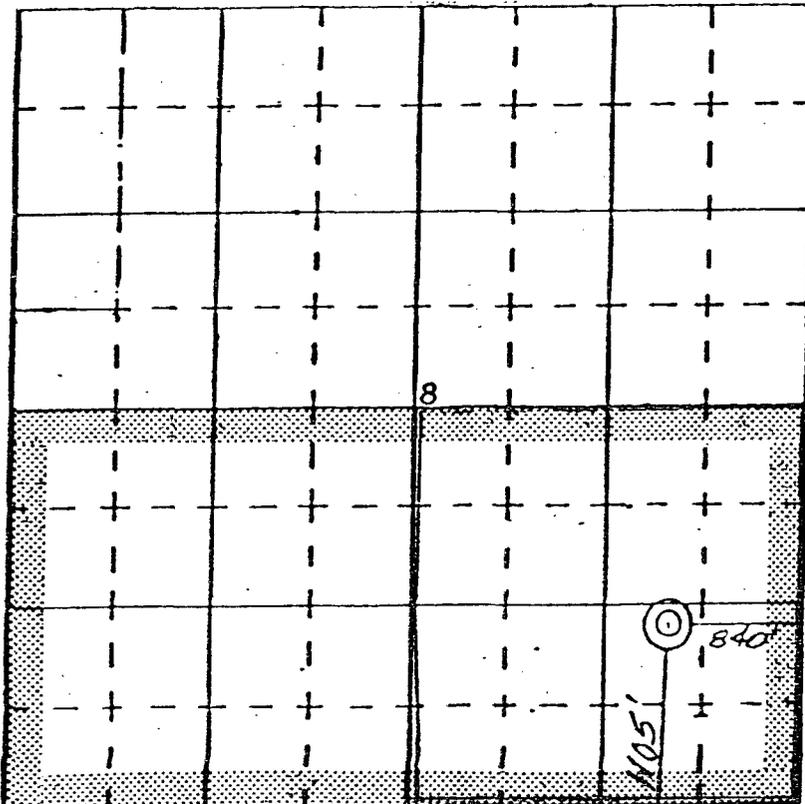


28 Dec 1976  
Date Surveyed

James P. Lees  
Registered Professional Engineer  
and/or Land Surveyor

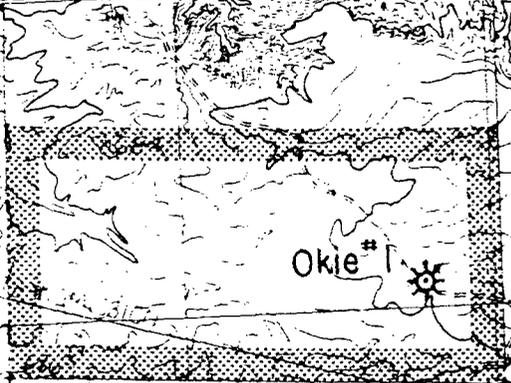
**1463**

Certificate No.



R8W

T  
24  
N



Okie #1



Blanco

Crow

Wash

APPLICATION FOR  
UNORTHODOX LOCATION  
TOPOGRAPHIC MAP

DUGAN PRODUCTION CORP.  
OKIE #1  
1105' FSL - 840' FEL  
Sec. 8, T24N, R8W, NMPM  
SAN JUAN CO., NM



	NM-2337 Dugan	Morgan-Richard	Yates et al.	Federal (Open)	Merrion
		Giant Exp.			
R.K. Lewis -Fee					
T 24 N			NM-19567 Dugan	Celsius Ener.	Yates et al.
			Okie ☼		NM-16789 Dugan
Navajo Allotted (Open)	NM-85307 Dugan		NM-26047 Dugan		LG-1917 Dugan
				Mesa Petr.	
			R8W		

APPLICATION FOR  
UNORTHODOX LOCATION  
OFFSETTING OPERATORS

DUGAN PRODUCTION CORP.  
OKIE #1  
1105' FSL - 840' FEL  
Sec. 8, T24N, R3W, NMPM  
SAN JUAN CO., NM