

8/1/97	8/20/97	MS	KV	NSL
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

### ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

#### Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]  
 [DD-Directional Drilling] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

#### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Directional Drilling

☒ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

#### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO

U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

#### [3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I further verify that all applicable API Numbers are included. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Kurt Fagrelus  
Print or Type Name

Kurt Fagrelus  
Signature

Geologist  
Title

7-31-97  
Date



dugan production corp.



July 31, 1997

Mr. Michael E. Stogner  
New Mexico Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, NM 87505

**Subject: Administrative Approval of Unorthodox Location  
Dugan Production Corp.  
Mesa #3  
790' FSL & 1750' FEL, Sec. 16, T24N, R8W, NMPM  
San Juan County, NM  
Basin Fruitland Coal**

Dear Mr. Stogner:

Dugan Production Corp. requests administrative approval for an unorthodox location for its Mesa No. 3 well under the provisions of NMOCD Order No. R-8768.

The subject well is currently completed in the Pictured Cliffs formation and it is nonproductive. It is intended to abandon the Pictured Cliffs zone and recomplete in the Basin Fruitland Coal.

A copy of this application is being submitted to all offset operators by certified mail with a request that they furnish your office in Santa Fe a Waiver of Objection.

Attached is a well location plat showing dedicated acreage, a well location map and a map showing all offsetting operators.

Sincerely,

Kurt Fagrelius

KF/tmf

cc: New Mexico Oil Conservation Division, Aztec  
Bureau of Land Management, Farmington  
Offset Operators

☐ AMENDED REPORT

District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

# WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
30 045 22175		71629		Basin Fruitland Coal	
4 Property Code	5 Property Name			6 Well Number	
003763	Mesa			3	
7 OGRID No.	8 Operator Name			9 Elevation	
006515	Dugan Production Corp.			6797' GL	

<sup>10</sup> Surface Location



UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	16	24N	8W		790'	South	1750'	East	San Juan

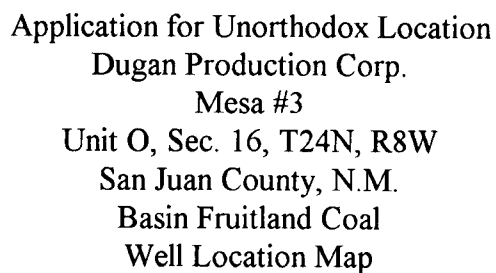
<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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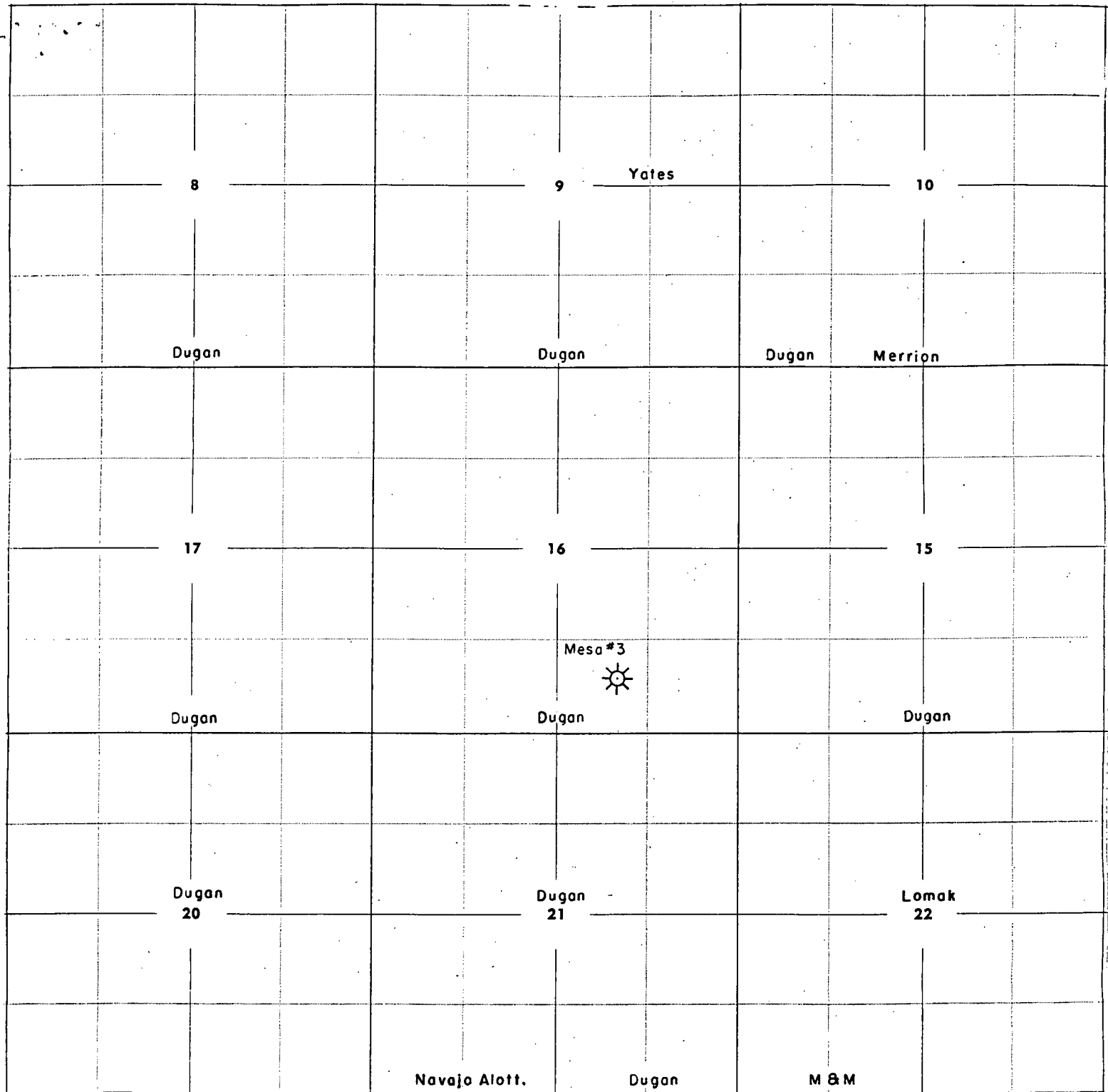
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
320			

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**

16			<b>17 OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>
	Sec. 16	<div data-bbox="619 1144 961 1261"><b>RECEIVED</b> JUL 1 8 1997</div> <div data-bbox="619 1300 961 1387"><b>OIL COLL. DIV.</b> DIST. 3</div>	<div data-bbox="1065 1136 1513 1212"></div> <div data-bbox="1065 1202 1513 1227">Signature</div> <div data-bbox="1065 1232 1513 1261">Printed Name <b>John Alexander</b></div> <div data-bbox="1065 1261 1513 1285">Title <b>Vice-President</b></div> <div data-bbox="1065 1285 1513 1315">Date <b>7/16/97</b></div>
		<div data-bbox="589 1676 954 1736"><b>Dugan Production Corp.</b> <b>LG 1917</b></div> <div data-bbox="693 1749 931 1827"> 790' ————— 1750'</div>	<b>18 SURVEYOR CERTIFICATION</b> <i>I hereby certify that the well location shown on this plat 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 belief.</i> <div data-bbox="1065 1589 1513 1619"><b>August 15, 1976</b></div> <div data-bbox="1065 1623 1513 1649">Date of Survey</div> <div data-bbox="1065 1657 1513 1683">Signature and Seal of Professional Surveyor:  <div data-bbox="1088 1706 1453 1764">Original signed by <b>Ernest V. Echohawk, LS</b></div></div> <div data-bbox="1065 1827 1513 1855"><b>3602</b></div> <div data-bbox="1065 1866 1513 1889">Certificate Number</div>



**Application for Unorthodox Location  
Dugan Production Corp.  
Mesa #3  
Unit O, Sec. 16, T24N, R8W  
San Juan County, N.M.  
Basin Fruitland Coal  
Well Location Map**



Application for Unorthodox Location  
Dugan Production Corp.

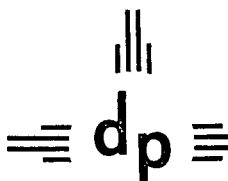
Mesa #3

Unit O, Sec. 16, T24N, R8W

San Juan County, N.M.

Basin Fruitland Coal

Offset Operator Map

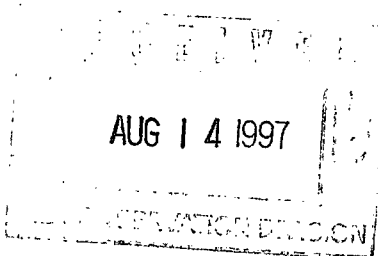


# dugan production corp.



July 31, 1997

AUG 14 1997



Certified Mail

**SIGN & RETURN  
THIS COPY  
to DUGAN Corp.**

Merrion Oil & Gas Corp.  
610 Reilly Avenue  
Farmington, NM 87401-2634

**Subject: Administrative Approval of Unorthodox Location  
Dugan Production Corp.  
Mesa #3  
790' FSL & 1750' FEL, Sec. 16, T24N, R8W, NMPM  
San Juan County, NM**

Gentlemen:

Dugan Production Corp. has filed with the New Mexico Oil Conservation Division (NMOCD) an Application for Administrative Approval for an Unorthodox Location for its Mesa #3 well. A copy of the application has been attached for your review.

If you have no objection to this unorthodox location, please sign the three copies of the attached waiver. Return one executed copy to the NMOCD in Santa Fe, NM, one copy to our office, and retain one copy for your files. Self-addressed, stamped envelopes are enclosed.

Your assistance and cooperation in this matter are appreciated.

Sincerely,

*Kurt Fagrelis*  
Kurt Fagrelis

KF/tmf

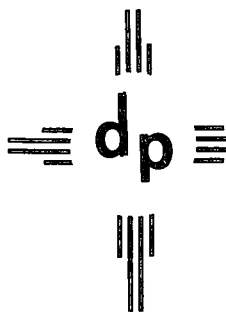
=====

**WAIVER**

Merrion Oil & Gas Corp. hereby waives objection to the above referenced Application for Unorthodox Location for Dugan Production Corp's Mesa #3 well.

Date: 8-11-97

By: T. Greg Merrion



dugan production corp.

AUG - 5 1997

Certified Mail

July 31, 1997

M & M Production & Operating Inc.  
P. O. Box 75  
Counselor, NM 87108-0075

**Subject: Administrative Approval of Unorthodox Location**  
**Dugan Production Corp.**  
**Mesa #3**  
**790' FSL & 1750' FEL, Sec. 16, T24N, R8W, NMPM**  
**San Juan County, NM**

SIGN & RETURN  
THIS COPY  
to New Mexico Oil Cons. Div. -  
Santa Fe, NM

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Sincerely,

*Kurt Fagrelius*

Kurt Fagrelius

KF/tmf

=====

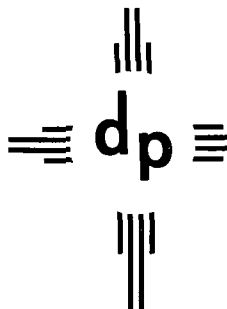
**WAIVER**

M & M Production & Operating Inc. hereby waives objection to the above referenced Application for Unorthodox Location for Dugan Production Corp's Mesa #3 well.

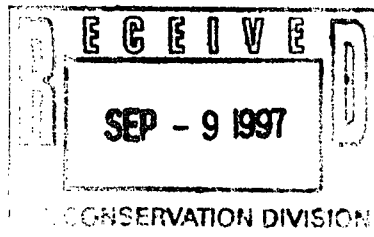
Date: Aug 2 - 1997

By: Roger M. McCown President

NSL-3853



# dugan production corp.



Certified Mail

July 31, 1997

Lomak Petroleum Inc.  
P. O. Box 550  
Hartville, OH 44632-0550

SIGN & RETURN  
THIS COPY  
to New Mexico Oil Cons.  
Div. - Santa Fe

**Subject: Administrative Approval of Unorthodox Location  
Dugan Production Corp.  
Mesa #3  
790' FSL & 1750' FEL, Sec. 16, T24N, R8W, NMPM  
San Juan County, NM**

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Your assistance and cooperation in this matter are appreciated.

Sincerely,

*Kurt Fagrelus*

Kurt Fagrelus

KF/tmf

=====

WAIVER

Lomak Exploration Co. hereby waives objection to the above referenced Application for Unorthodox Location for Dugan Production Corp's Mesa #3 well.

Date: 8/28/97

By: Carolyn Beckhold  
Land Administrator



CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

08/08/97 13:44:04  
OGOMES -EMD2  
PAGE NO: 1

Sec : 16 Twp : 24N Rng : 08W Section Type : NORMAL

<b>D</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION	<b>C</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION  <b>A</b>	<b>B</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION	<b>A</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION
<b>E</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION	<b>F</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION	<b>G</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION  <b>A</b>	<b>H</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION

PF01 **HELP**  
PF07 **BKWD**

PF02  
PF08 **FWD**

PF03 **EXIT**  
PF09 **PRINT**

PF04 **GoTo**  
PF10 **SDIV**

PF05  
PF11

PF06  
PF12

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

08/08/97 13:44:15  
OGOMES -EMD2  
PAGE NO: 2

Sec : 16 Twp : 24N Rng : 08W Section Type : **NORMAL**

<b>L</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION	<b>K</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION	<b>J</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION	<b>I</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION
<b>M</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION  <b>A</b>	<b>N</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION	<b>O</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION  <b>A</b>	<b>P</b> 40.00 CS LG1917 1 08/84 DUGAN PRODUCTION

PF01 **HELP**  
PF07 **BKWD**

PF02  
PF08 **FWD**

PF03 **EXIT**  
PF09 **PRINT**

PF04 **GoTo**  
PF10 **SDIV**

PF05  
PF11

PF06  
PF12

CMD :  
OG6IWCM

ONGARD  
INQUIRE WELL COMPLETIONS

08/08/97 13:44:33  
OGOMES -EMD2

API Well No : 30 45 22175 Eff Date : 08-01-1982 WC Status : A  
Pool Idn : 83000 POTWIN PICTURED CLIFFS (GAS)  
OGRID Idn : 6515 DUGAN PRODUCTION CORP  
Prop Idn : 3763 MESA

Well No : 003  
GL Elevation: 99999

	U/L	Sec	Township	Range	North/South	East/West	Prop/Act (P/A)
B.H. Locn	: O	16	24N	08W	FTG 999 F S	FTG 999 F E	P
Lot Identifier:							
Dedicated Acre:	160.00						
Lease Type	: S						
Type of consolidation	(Comm, Unit, Forced Pooling - C/U/F/O) :						

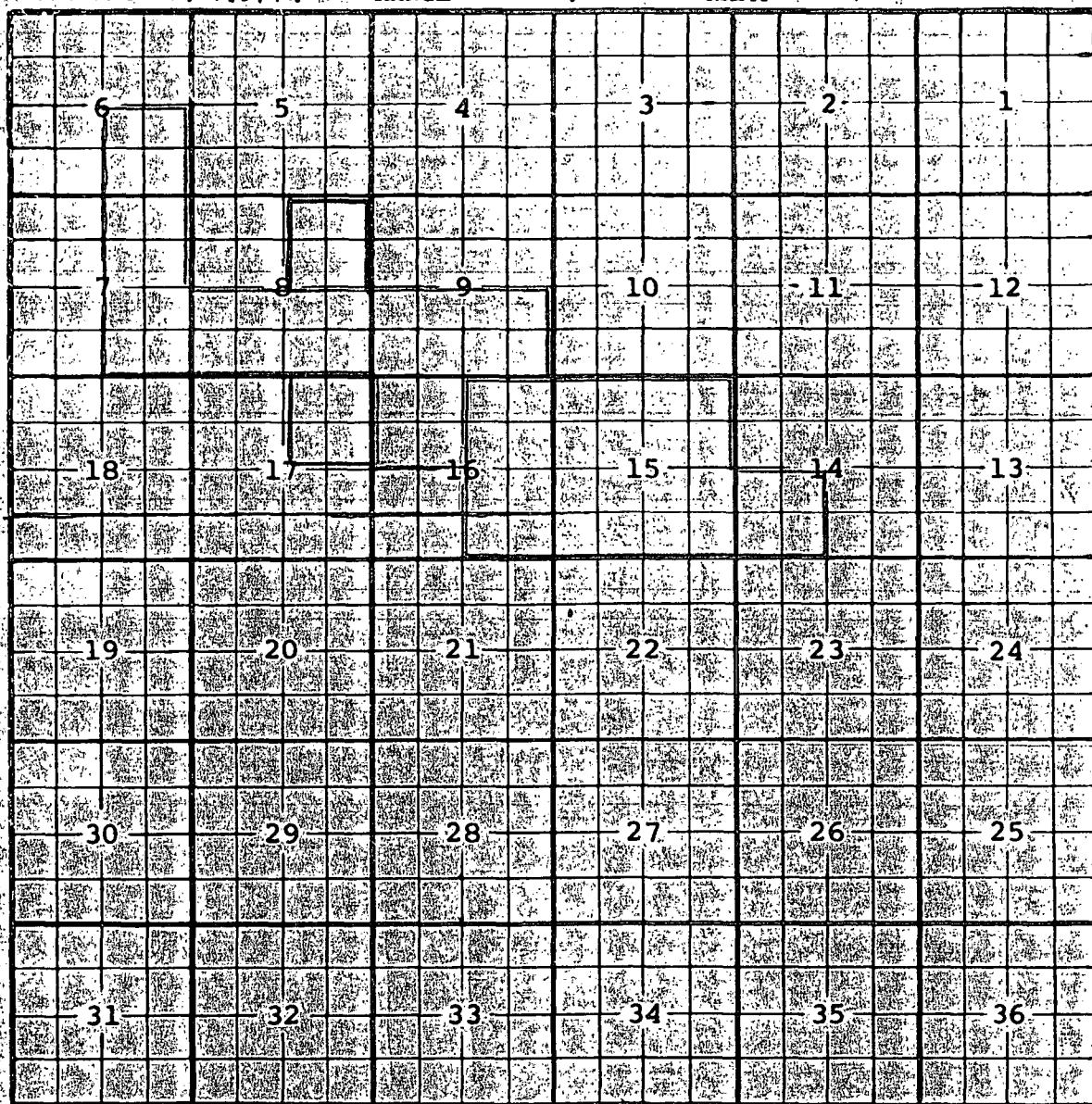
E6317: No more recs. for this api well no.

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07	PF08	PF09	PF10 NEXT-WC	PF11 HISTORY	PF12 NXTREC

COUNTY San Juan POOL Potwin - Pictured Cliffs

TOWNSHIP 24 North RANGE 8 West

NMPM



Description: SW 1/4 Sec 14, All Sec 15, E 1/2 Sec 16 (R-5339, 2-1-77)  
Ext: SE 1/4 Sec 6, E 1/2 Sec 7, S 1/2 Sec 8, S 1/2 Sec 9, NW 1/4 Sec 16 (R-5596, 1-1-78)  
Ext: NE 1/4 Sec 8 (R-7046, 8-6-82) Ext: NE 1/4 Sec 17 (R-8417, 3-24-87)