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11/20/00	12/11/00	MA	KV	CTB
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511

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION  
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

NOV 20 2000

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 - *BLM Approval is not required. Notice only*  
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.

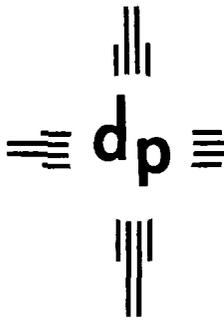
Note: Statement must be completed by an individual with supervisory capacity.

John D. Roe  
Print or Type Name

John D. Roe  
Signature

Eng. Myki  
Title

11-17-00  
Date



# dugan production corp.

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November 17, 2000

Ms. Lori Wrotenbery  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Re: Proposed Surface Commingling  
Dugan Production Corp.'s Paul Revere No. 91 (API No. 30-045-29840)  
Dugan Production Corp.'s Paul Revere No. 94 (API No. 30-045-29875)  
Units M & A, Section 23, T-26N, R-13W  
Federal Lease NM-17781  
Basin Fruitland Coal gas pool  
San Juan County, NM

Dear Ms. Wrotenbery,

We are writing to request your administrative approval to surface commingle natural gas produced from the captioned wells which will allow us to deliver natural gas to an on-lease central delivery sales meter (CDP). Since only one federal lease is involved and the CDP sales meter is located on that lease, the BLM does not consider this proposal to be an issue that requires their approval. We will send informational copies to them.

Attachment No. 1 was reproduced from the Moncisco Wash USGS Quadrangle Topography map and presents the proposed Paul Revere 94 CDP along with the subject lease and wells. Dugan's Federal Lease No. NM-17781 covers all of Section No. 23 and is the only lease comprising the south half spacing unit for the Paul Revere No. 91 and also the north half spacing unit for the Paul Revere No. 94. The proposed CDP gas sales meter will be on El Paso's pipeline and is located on this lease near the Paul Revere No. 94 well.

Attachment No. 2 presents information for each of the wells proposed for this CDP and Attachment No. 3 presents C-102's for each well which also includes the dedicated spacing units. Dugan Production Corp. is the operator of both wells and holds 100% of the working interest. The royalty and overriding royalty interest is common for both wells and Attachment No. 4 presents the ownership information.

The Paul Revere No. 91 was spudded on 9-8-00 and is currently being production tested in the Basin Fruitland Coal gas pool. We perforated the Fruitland Coal 1204' to 1225' and on 11-14-00 fracture stimulated the well using 40,800 gallons of 70 quality foam plus 60,000 pounds 20/40 sand. We anticipate that production will initially average 30 to 50 mcf/d plus 75 to 150 bw/d, and that as dewatering progresses, hopefully gas rates will increase to  $\pm 200$  mcf/d.

The Paul Revere No. 94 was spudded on 9-1-00 and is also currently being production tested in the Basin Fruitland Coal gas pool from perforations 1176'-1198' which were frac'd on 11-14-00 using 40,800 gallons of 70 quality foam plus 60,000 pounds 20/40 sand. We anticipate that production will initially average 30 to 50 mcf/d plus 75 to 150 bw/d, and that as dewatering progresses, hopefully gas rates will increase to  $\pm 200$

mcf/d.

All fluid production will be separated from the gas, and will be stored, sold or disposed of at each well site. Since all production to be commingled comes from the Basin Fruitland Coal, we do not anticipate any liquid hydrocarbon production to occur. Only natural gas will be surface commingled. Each well will be equipped with continuous recording conventional gas metering equipment, such as a dry flow meter, and the volumes recorded at each well will be used to determine allocation factors for allocating the volumes recorded at the CDP sales meter to the individual wells. Each allocation meter will be installed and maintained by DPC and the charts from each meter will be integrated monthly by a commercial chart service. The proposed allocation procedures are presented on Attachment No. 5.

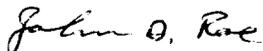
Gas production from both wells is believed to be compatible and mixing should not create any operational problems. Attachment No. 6 presents a copy of a gas analysis believed to be representative for the Basin Fruitland Coal in this area.

We are sending copies of this application to all interest owners. DPC holds 100% of the working interest and all royalty is federal. Attachment No. 7 presents a copy of the letter sent to the two overriding royalty interest owners.

In summary, we are proposing to surface commingle natural gas production from two Basin Fruitland Coal wells currently being completed, Dugan's Paul Revere wells No. 91 and 94. The proposed CDP sales meter will be a new meter installation and will be operated and maintained by El Paso Field Services Co. The proposed surface commingling will allow us to install a compressor at the CDP which will be shared by both wells.

Should you have questions or need additional information, please let me know.

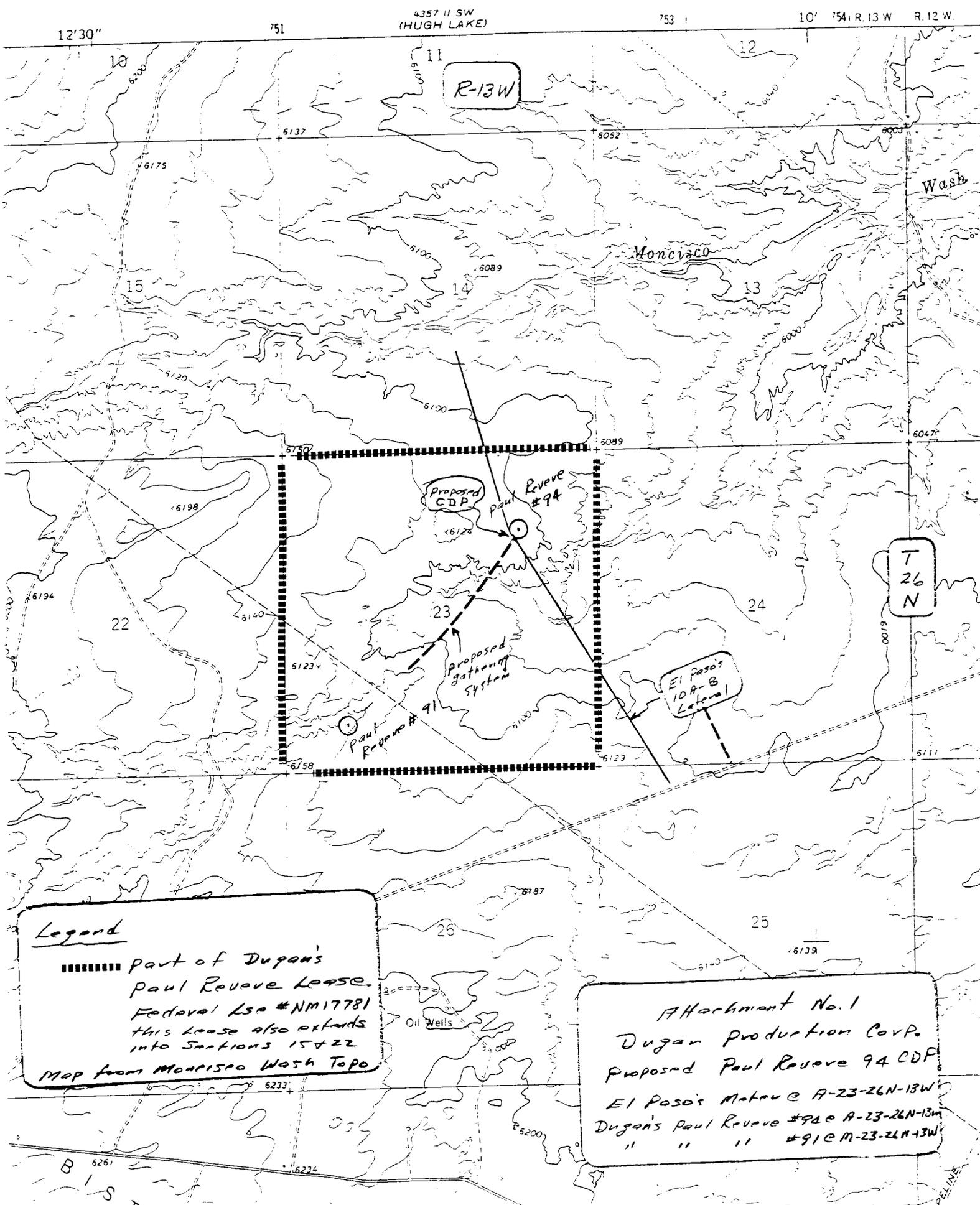
Sincerely,



John D. Roe  
Engineering Manager

JDR/tmf

cc: NMOCD - Aztec  
BLM - Farmington Field Office  
ORRI owners



R-13W

T  
26  
N

Legend

■■■■■■ part of Dugan's Paul Revere Lease. Federal Lsa #NM17781 this lease also extends into Sections 15+22

Map from Moncisco Wash Topo

Attachment No. 1

Dugan Production Corp.

Proposed Paul Revere 94 CDP

El Paso's Mateo @ A-23-26N-13W

Dugan's Paul Revere #94 @ A-23-26N-13W

" " " #91 @ M-23-26N-13W

**ATTACHMENT NO. 2  
 DUGAN PRODUCTION CORP.  
 PROPOSED PAUL REVERE 94 CDP (A-23-26N-13W)  
 SAN JUAN COUNTY, NEW MEXICO**

Well Name	API Number	Well Location			CA Number	Pool	Completion Date	Current Prod.		Spacing Unit
		Unit	Sec-Twn-Rng	Lease No.				Lease Type	MCFD	
<b>WELLS PROPOSED FOR CDP</b>										
Paul Revere #91	30-045-29840	M	23-26N-13W	NM-17781	Federal	N/A	Basin Fruitland Coal	Note (1)	Note (3)	Note (3)
Paul Revere #94	30-045-29875	A	23-26N-13W	NM-17781	Federal	N/A	Basin Fruitland Coal	Note (2)	Note (3)	Note (3)

Notes:

N/A - Not needed

Note (1) - Paul Revere No. 91 is currently being production tested following fracture stimulation on 11-14-00 using 40,800 gallons 70Q foam and 60,000 lbs. 20/40 sand.

Note (2) - Paul Revere No. 94 is currently being production tested following fracture stimulation on 11-14-00 using 40,800 gallons 70Q foam and 60,000 lbs. 20/40 sand.

Note (3) - An initial rate of 30 to 50 mcf/d is anticipated which hopefully will increase to ±200 mcf/d as dewatering of the Fruitland Coal progresses. Initial water production is anticipated to be 75 to 150 BWPD.

District I  
 PO Box 1980, Hobbs, NM 88241-1980  
 District II  
 811 South First, Artesia, NM 88210  
 District III  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV  
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals & Natural Resources Department

Attachment  
 No. 3  
 Page 2

Form C-102  
 Revised October 18, 1994  
 Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 4 Copies  
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION  
 2040 South Pacheco  
 Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <u>29840</u> 30 045 28340		<sup>2</sup> Pool Code 71629	<sup>3</sup> Pool Name Basin Fruitland Coal
<sup>4</sup> Property Code 003819	<sup>5</sup> Property Name Paul Revere		<sup>6</sup> Well Number 91
<sup>7</sup> OGRID No. 006515	<sup>8</sup> Operator Name Dugan Production Corp.		<sup>9</sup> Elevation 6142' (est.)

<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
M	23	26N	13W		790	South	1040	West	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
<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.					

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

					Section 23	
					1040'	790'
Dugan Prod. NM17781						

**<sup>17</sup> OPERATOR CERTIFICATION**  
*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief*

*Sherman E. Dugan*  
 Signature  
 Sherman E. Dugan  
 Printed Name  
 Vice-President  
 Title  
 8/31/98  
 Date

**<sup>18</sup> SURVEYOR CERTIFICATION**  
*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.*

August 10, 1990  
 Date of Survey  
 Signature and Seal of Professional Surveyer:  
 Original survey made & signed by Edgar L. Risenhoover  
 Certificate Number 5979

District I  
 PO Box 1980, Hobbs, NM 88241-1980  
 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

State of New Mexico  
 Energy, Minerals & Natural Resources Department

Attachment  
 No 3  
 Pp 2 of 2

Form C-102  
 Revised February 21, 1994  
 Instructions on back  
 Submit to Appropriate District Office  
 State Lease - 4 Copies  
 Fee Lease - 3 Copies

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30 045 29875		Pool Code 71629	Pool Name Basin Fruitland Coal
Property Code 003819	Property Name Paul Revere		Well Number 94
OGRID No. 006515	Operator Name Dugan Production Corporation		Elevation 6105' Estimated

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	23	26N	13W		1290	North	1290	East	San Juan

11 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

12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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 Dugan Prod. NM 17781 1290' 1290'		<b>17 OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature Sherman E. Dugan Printed Name Vice-President Title 7/3/97 Date
	Section 23		<b>18 SURVEYOR CERTIFICATION</b> 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. July 3, 1995 Date of Survey Signature and Seal of Professional Surveyor:  Edgar L. Rosenhoover Certificate Number

ATTACHMENT NO. 4

Paul Revere No. 91  
 Basin Fruitland Coal  
 Well Location: SWSW (Unit M) 23, T-26N, R-13W  
 Spacing Unit: S/2 Section 23, T-26N, R-13W (320A)  
 San Juan County, New Mexico

Paul Revere No. 94  
 Basin Fruitland Coal  
 Well Location: NENE (Unit A) 23, T-26N, R-13W  
 Spacing Unit: N/2 Section 23, T-26N, R-13W (320A)  
 San Juan County, New Mexico

<u>INTEREST OWNER (both wells)</u>	<u>INTEREST%</u>	
	<u>Gross</u>	<u>Net</u>
<u>Working Interest Owners</u>		
Dugan Production Corp.	100.0000	80.0000
<u>Royalty Interest Owners</u>		
USA - Bureau of Land Management 1235 La Plata Highway Farmington, NM 87401	-0-	12.5000
<u>Overriding Royalty Interest Owners</u>		
William Lansdale P. O. Box 27 Seal Beach, CA 90740	-0-	5.0000
Questar Exploration & Production Co. P. O. Box 45601 Salt Lake City, UT 84145-0601	-0-	2.5000
<b>TOTAL</b>	<b>100.0000</b>	<b>100.0000</b>

**Attachment No. 5**  
**Proposed Allocation Procedures**  
**Dugan Production Corp.'s**  
**Paul Revere 94 CDP**  
**NE NE 23, T-26N, R-13W**  
**San Juan County, New Mexico**

**Base Data for Gas Production, BTU & Revenue Allocations:**

W=Volume (MCF) from Well Allocation Meter

X=Volume (MCF) from CDP Sales Meter

Y=BTU's from CDP Sales Meter

Z=Gas Revenue (\$) from CDP Sales Meter

1. Allocated Individual Well Production = A+B+C+D+E

A = Allocated Sales Volume, MCF

$$= (W/\text{SUM } W) \times X$$

B = Fuel used on lease, MCF. Determined from equipment specifications and operating conditions.

C = Purged and/or vented gas from well and/or lease equipment, MCF. Calculated using equipment specifications and pressures.

D = Allocated fuel from gathering system equipment, MCF. The total fuel required to operate gathering system equipment will be allocated to the individual wells benefitting from the equipment using allocation factors determined by  $W / \text{Sum } W$  for the wells involved.

E = Allocated volume of gas lost and/or vented from the gathering system and/or gathering system equipment, MCF. The total volume will be determined using industry accepted procedures for the conditions existing at the time of the loss. All volumes corresponding to liquid condensation within the gathering system will also be determined. The total volume lost and/or vented will be allocated to the individual wells affected using factors determined by  $W / \text{Sum } W$ .

2. Allocated Individual Well BTU's =  $((W \times \text{Individual well BTU}) / \text{Sum } (W \times \text{individual well BTU})) \times Y$ .

Individual well gas heating values to be determined in accordance with BLM regulations (currently Onshore Order No. 5).

3. Allocated Individual Well Gas Revenues =  $(\text{Allocated Individual wells BTU's} / \text{Sum Allocated individual well BTU's}) \times Z$



2030 AFTON PLACE  
 FARMINGTON, N.M. 87401  
 (505) 325-6622

ANALYSIS NO. DUG90672  
 CUST. NO. 23000- 11120

**WELL/LEASE INFORMATION**

CUSTOMER NAME DUGAN PRODUCTION CORP.  
 WELL NAME PATRIOT 91 (X)  
 COUNTY/STATE SAN JUAN NM  
 LOCATION 27-26N-13W (unit H)  
 FIELD Basin Fruitland Coal  
 FORMATION  
 CUST.STN.NO. 202E-18947

SOURCE  
 PRESSURE 8 PSIG  
 SAMPLE TEMP DEG.F  
 WELL FLOWING Y  
 DATE SAMPLED 8/30/99  
 SAMPLED BY BILLIE WRIGHT  
 FOREMAN/ENGR. TOM BLAIR

Attachment  
 No. 6  
 Pg 1 of 1

REMARKS LEASE # 078091

**ANALYSIS**

COMPONENT	MOLE %	GPM**	B.T.U.*	SP.GR *
NITROGEN	0.878	0.0000	0.00	0.0085
CO2	1.438	0.0000	0.00	0.0219
METHANE	96.106	0.0000	972.88	0.5324
ETHANE	1.578	0.4221	27.99	0.0164
PROPANE	0.000	0.0000	0.00	0.0000
I-BUTANE	0.000	0.0000	0.00	0.0000
N-BUTANE	0.000	0.0000	0.00	0.0000
I-PENTANE	0.000	0.0000	0.00	0.0000
N-PENTANE	0.000	0.0000	0.00	0.0000
HEXANE PLUS	0.000	0.0000	0.00	0.0000
TOTAL	100.000	0.4221	1,000.87	0.5791

\* @ 14.730 PSIA DRY & UNCORRECTED FOR COMPRESSIBILITY

\*\* @ 14.730 PSIA & 60 DEG. F.

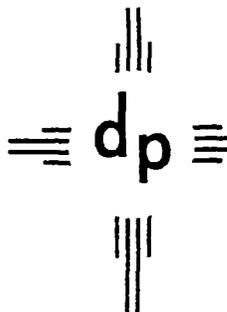
COMPRESSIBILITY FACTOR (1/Z) 1.0021  
 BTU/CU.FT (DRY) CORRECTED FOR (1/Z) 1,003.0  
 BTU/CU.FT (WET) CORRECTED FOR (1/Z) 985.5  
 REAL SPECIFIC GRAVITY 0.5804

ANALYSIS RUN AT 14.730 PSIA & 60 DEGREES F

DRY BTU @ 14.650 997.5  
 DRY BTU @ 14.696 1,000.7  
 DRY BTU @ 14.730 1,003.0  
 DRY BTU @ 15.025 1,023.1

CYLINDER # K073  
 CYLINDER PRESSURE 9 PSIG  
 DATE RUN 9/1/99  
 ANALYSIS RUN BY ANDREW ZEC

(X) - Since Dugan's Paul Revere wells no 91 & 94 are currently being completed & a representative gas analysis has not been obtained, it is believed this gas sample will be representative of gas to be produced from both wells.



# dugan production corp.

Attachment  
No. 7  
Pg 1 of 1

November 17, 2000

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. William Lansdale  
P. O. Box 27  
Seal Beach, CA 90740

Questar Exploration & Production Co.  
P. O. Box 45601  
Salt Lake City, UT 84145-0601

Re: Dugan Production Corp.'s  
Paul Revere No. 91 (M-23-26N-13W)  
Paul Revere No. 94 (A-23-26N-13W)

Dear Overriding Royalty Interest Owner,

Attached for your information, review and file is a copy of our application to the New Mexico Oil Conservation Division to surface commingle natural gas produced from the captioned wells in which you have an overriding royalty interest ownership. The proposed surface commingling will allow us to place both wells on production and will allow both wells to share the cost of operating a central compressor.

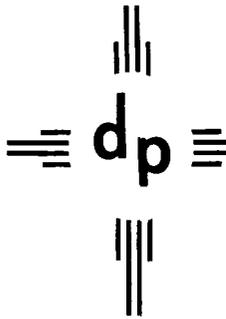
This proposal should not affect your interest in these wells and should allow your revenues to increase since both wells will share a central compressor which hopefully will require less lease fuel

Should you have any questions, need additional information or have any concern as to our proposal, please let me know. Should you have an objection, please let me know, or you can contact the New Mexico Oil Conservation Division directly at 2040 South Pacheco Street in Santa Fe, New Mexico 87505. Any objection should be filed within 20 days of the date of this letter, and we would appreciate receiving a copy of your objection.

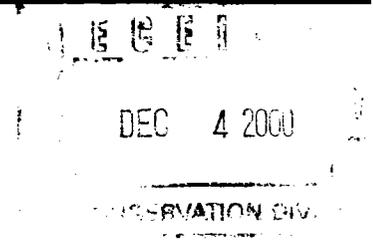
Sincerely,

John D. Roe  
Engineering Manager

JDR/tmf



dugan production corp.



November 30, 2000

Mr. Mark Ashley  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Re: Dugan's 11-17-00 application to surface commingle  
Dugan Production Corp.'s Paul Revere No. 91 (API No. 30-045-29840)  
Dugan Production Corp.'s Paul Revere No. 94 (API No. 30-045-29875)  
Units M & A, Section 23, T-26N, R-13W  
Federal Lease NM-17781  
Basin Fruitland Coal gas pool  
San Juan County, NM

Dear Mr. Ashley,

Attached for your consideration of the subject application are copies of the return receipts from the two overriding royalty interest owners and a copy of our 11-17-00 sundry to the BLM which reflects their "date received stamp" marked received at 1:50 p.m. 11-20-00. Thus all interest owners have received a copy of our 11-17-00 application to surface commingle natural gas production from Dugan's Paul Revere wells No. 91 and 94.

Should you have questions, please let me know.

Sincerely,

John D. Roe  
Engineering Manager

JDR/tmf

C:\ATF\Johnroe\paulrev94cdp\113000ocdltr

Paul Levere 94 CD

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b.
- 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.  Addressee's Address
- 2.  Restricted Delivery

3. Article Addressed to:

Questar Exploration & Production Co  
P.O. Box 45601  
Salt Lake City, UT 84145-0601

4a. Article Number

Z 289 644 534

4b. Service Type

- Registered  Certified
- Express Mail  Insured
- Return Receipt for Merchandise  COD

7. Date of Delivery

NOV 21 2000

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

6. Signature (Addressee or Agent)

*Paul Levere*

PS Form 3811, December 1994

102595-99-B-0223

Domestic Return Receipt

Thank you for using Return Receipt Service.

Paul Levere 94 CD

Is your RETURN ADDRESS completed on the reverse side?

**SENDER:**

- Complete items 1 and/or 2 for additional services. Complete items 3, 4a, and 4b.
- 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.  Addressee's Address
- 2.  Restricted Delivery

3. Article Addressed to:

William Lansdale  
P.O. Box 27  
Seal Beach, CA 90740-0027

4a. Article Number

Z-289-644-533

4b. Service Type

- Registered  Certified
- Express Mail  Insured
- Return Receipt for Merchandise  COD

Date of Delivery

5. Received By: (Print Name)

8. Addressee's Address (Only if requested and fee is paid)

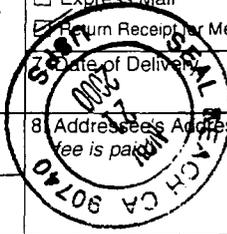
6. Signature (Addressee or Agent)

*Paul Levere*

PS Form 3811, December 1994

102595-99-B-0223

Domestic Return Receipt



Thank you for using Return Receipt Service.

Form 3160-5  
(June 1990)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Designation and Serial No.

NM-10661 17781

6. If Indian, Allotted or Tribe Name

1. Type of Well

Oil Well  Gas Well  Other

7. If Unit or CA, Agreement Designation

2. Name of Operator

Dugan Production Corp.

8. Well Name and No.

Paul Revere 94 CDP

3. Address and Telephone No.

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

9. API Well No.

Multiple - see below

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

Multiple - see below

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

11. County or Parish, State

San Juan, NM

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

TYPE OF SUBMISSION

TYPE OF ACTION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other

On-lease surface  
commingling

- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- 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.)

In the attached application dated 11/17/00, Dugan Production Corp. has proposed to surface commingle natural gas production from Dugan's Paul Revere wells No. 91 & 94 and deliver the commingled gas stream to an on-lease central delivery (CDP) sales meter to be installed and operated by El Paso Field Services Co. Both wells are currently being completed in the Basin Fruitland Coal gas pool and only one federal lease (NM-17781) is involved and comprises the spacing units for both wells. It is our understanding BLM approval is not required for this proposed CDP and that this sundry is for informational purposes. Pertinent data for the wells and CDP sales meter follows:

Well/Meter	API No.	Location	Lease No.
Paul Revere No. 91	30-045-29840	SWSW-23-26N-13W	NM-17781
Paul Revere No. 94	30-045-29875	NENE-23-26N-13W	NM-17781
CDP Sales Meter	none	NENE-23-26N-13W	NM-17781

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

Signed John D. Roe Title Engineering Manager Date 11/17/2000  
John D. Roe

(This space for Federal or State office use)

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

Conditions of approval, if any:

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