

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication
 NSL NSP 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

- [D] Other: Specify _____

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 01 NOV 26 PM 3:40
 OIL CONSERVATION DIV

[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] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Kurt Fagrelius Kurt Fagrelius Geologist 11/19/01
 Print or Type Name Signature Title Date

 e-mail Address



dugan production corp.

November 19, 2001

Mr. Michael E. Stogner
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Application for Administrative Approval of
Unorthodox Location for Dugan Production Corp.'s Pan American Federal #2
545' FNL & 1215' FWL (NW/4 NW/4)
Unit D, Section 24, T30N, R14W
San Juan County, New Mexico
Harper Hill Fruitland Sand Pictured Cliffs Pool

Dear Mr. Stogner:

Dugan Production hereby requests approval for an unorthodox location for the referenced well. Attached for your reference are the following exhibits:

1. Well location and acreage dedication plat (NMOCD Form C-102)
2. Topographic map
3. Offsetting operator map

The unorthodox location is necessary due to topographic conditions.

By certified mail, a copy of this application and request for administrative approval has been sent to all Fruitland Coal offsetting operators and the Bureau of Land Management.

Please contact me if you have any questions or need additional information.

Sincerely,

Kurt H. Fagrelius

Attachments

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

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form 5-11
 Revised February 21, 1997
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

District II
 PO Drawer 20, Artesia, NM 88211-0719

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

District III
 1000 Rio Brazos Rd., Aztec, NM 87410

AMENDED REPORT

District IV
 PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|------------------------|--|---|--|---|----------------------|
| 1 API Number 30 045 | | 2 Pool Code 78160 | | 3 Pool Name HARPER HILL FRUITLAND SAND PICTURED CLIFFS | |
| 4 Property Code | | 5 Property Name PAN AMERICAN FEDERAL | | | 6 Well Number 2 |
| 7 CGRID No. 006515 | | 8 Operator Name DUGAN PRODUCTION CORPORATION | | | 9 Elevation 5877' |

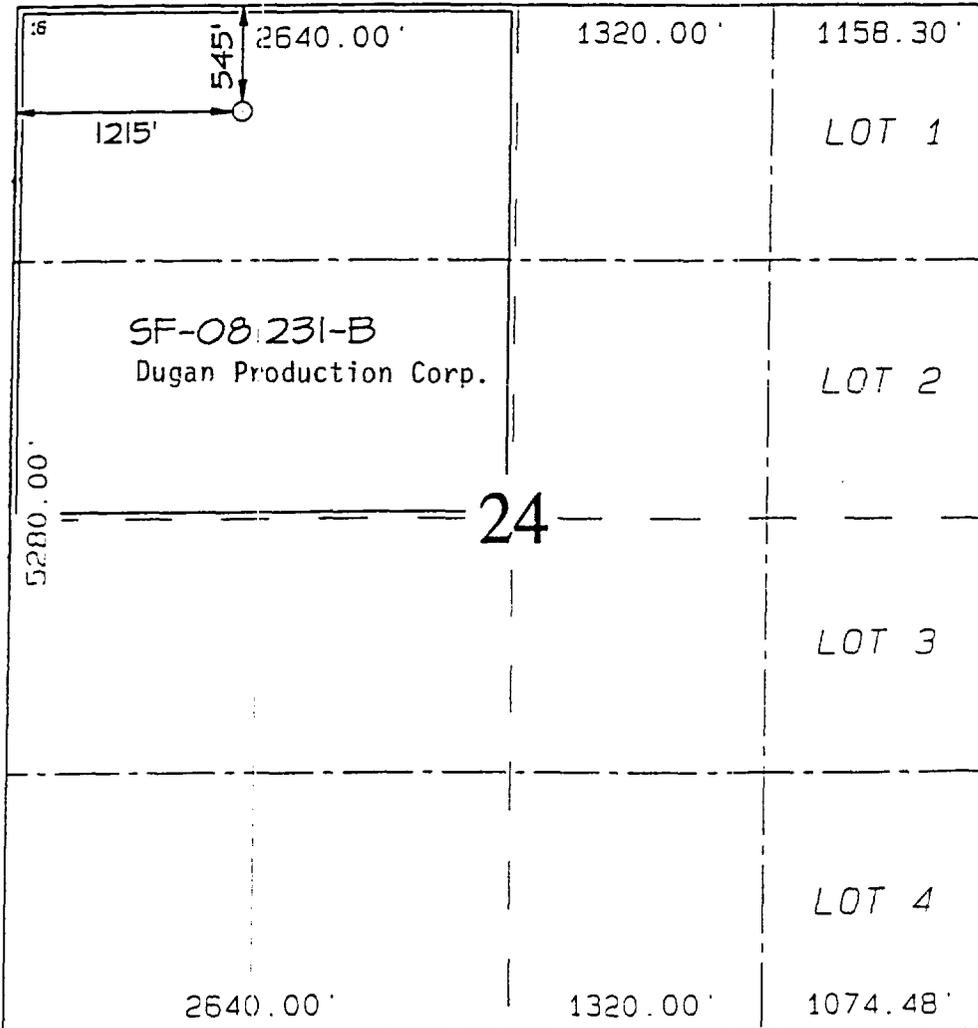
10 Surface Location

| UL or lot no. | Section | Township | Range | Lot Ion | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| 0 | 24 | 30N | 14W | | 545 | NORTH | 1215 | WEST | SAN JUAN |

11 Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Ion | Feet from the | North/South line | Feet from the | East/West line | County |
|--|---------|----------|-------|---------|-----------------------|------------------|---------------|----------------|--------|
| 12 Dedicated Acres 150 Acres (NW/4) | | | | | | | | | |
| 13 Joint or Infill | | | | | 14 Consolidation Code | | 15 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



17 OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
Kurt Fagrelus
 Signature
 Kurt Fagrelus
 Printed Name
 Geologist
 Title
 November 19, 2001
 Date

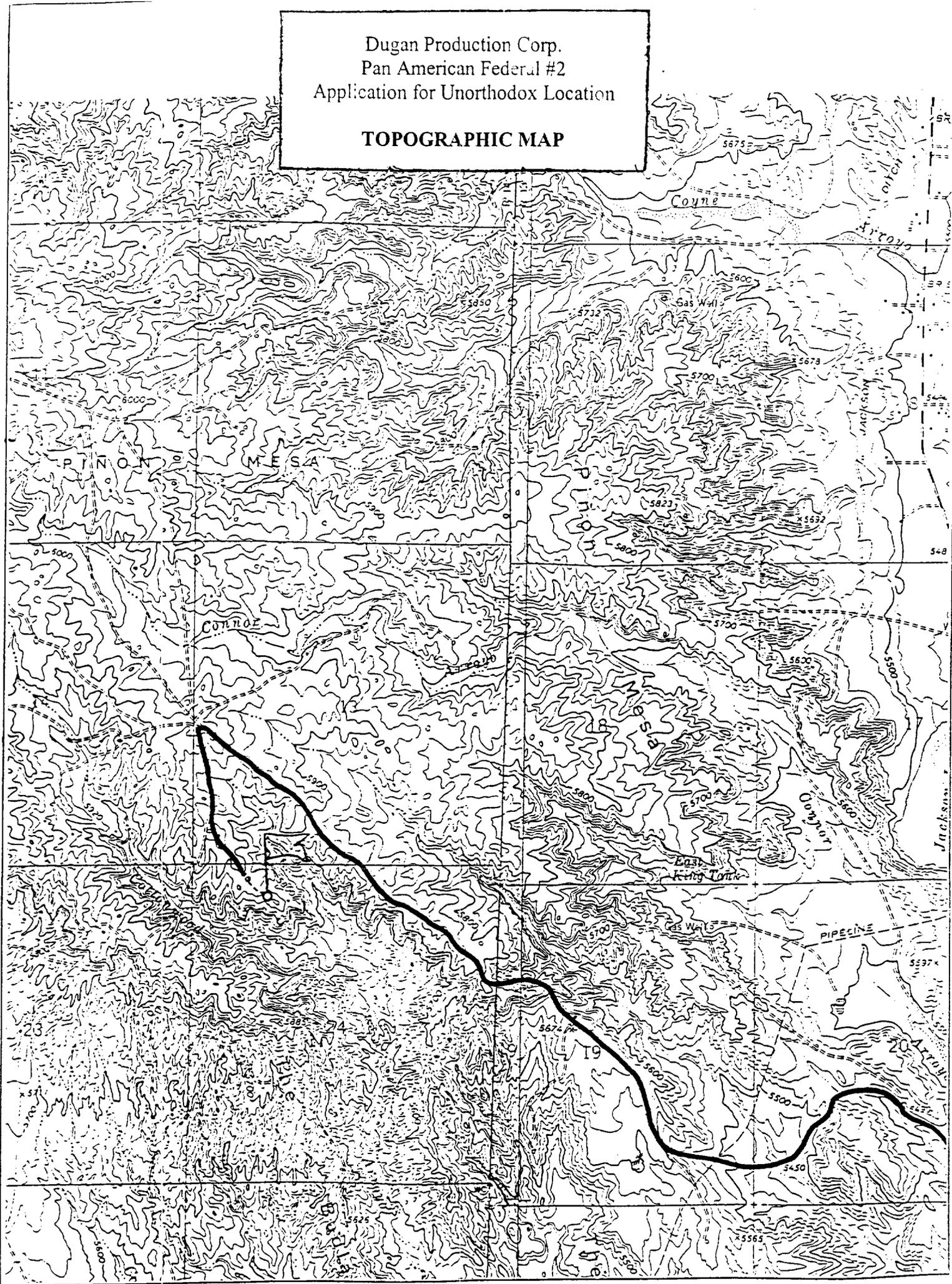
18 SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
 Survey Date: NOVEMBER 10, 2001

Signature and Seal of Professional Surveyor

JASON C. EDWARDS
 Certificate Number 15269

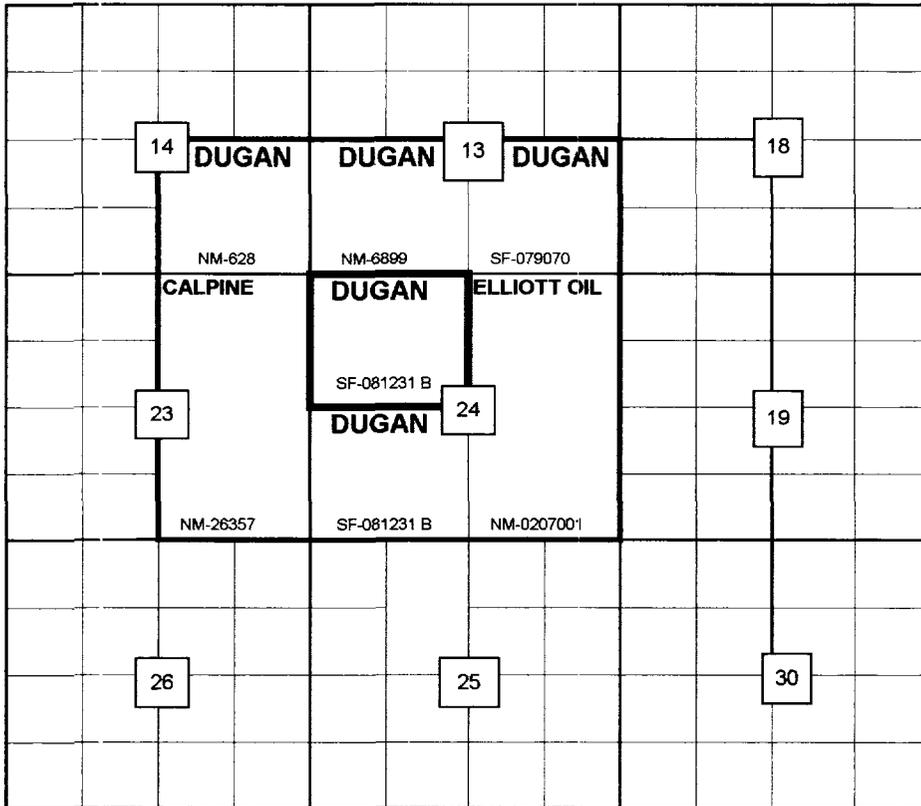
Dugan Production Corp.
Pan American Federal #2
Application for Unorthodox Location

TOPOGRAPHIC MAP



R 14 W

R 13 W



**T
30
N**

Dugan Production Corp.
Application for Unorthodox Proration Unit
OFFSETTING OPERATORS AND MINERAL OWNERS MAP
FRUITLAND SAND/PICTURED CLIFFS WELLS
All Offsetting Operators Are Working Interest Owners

OFFSET OPERATOR AND MINERAL OWNER NOTIFICATION LIST

Calpine Natural Gas Company
1000 Louisiana St. # 800
Houston, TX 77002

Elliott Oil Company
P.O. Box 1355
Roswell, NM 88202-1355

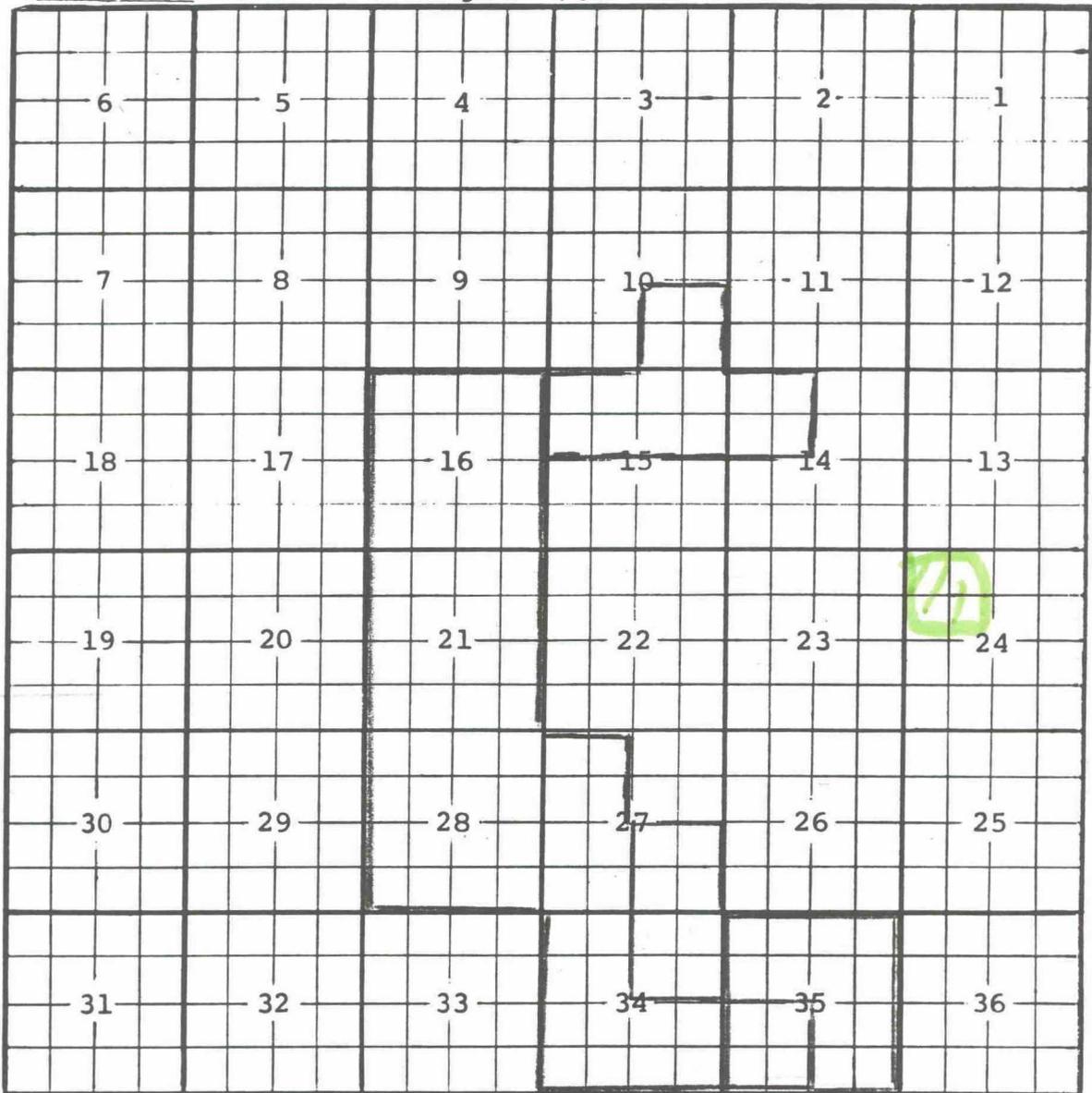
County SAN JUAN

Pool HARPER HILL FRUITLAND ^{SAND} PICTURED CLIFFS

TOWNSHIP 30 N

Range 14 W

NMPM



Ext: $\frac{N}{2} + \frac{SE}{4}$ Sec. 35 (R-6180, 11-1-79) Ext: $\frac{SE}{4}$ Sec. 27, $\frac{NE}{4}$ Sec. 34,
 $\frac{SW}{4}$ Sec. 35 (R-6327, 5-1-80) REDESIGNATED (R-8769, 10/17/88)
 Ext: All Sec. 16, All Sec. 21, $\frac{W}{2}$ Sec. 27, All Sec. 28, $\frac{SE}{4}$ and $\frac{W}{2}$ Sec. 34 (R-11445, 9-5-00)
 Ext: $\frac{SE}{4}$ Sec. 10, $\frac{NW}{4}$ Sec. 14, $\frac{N}{2}$ Sec. 15 (R-11540, 2-26-01)

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

12/04/01 09:14:
OGOMES -TQ
PAGE NO:

Sec : 24 Twp : 30N Rng : 14W Section Type : NORMAL

| | | | |
|--------------------------------------|---------------------------------|---------------------------------|--------------------------------------|
| D 40.00 Federal owned A | C 40.00 Federal owned | B 40.00 Federal owned | 1 34.78 Federal owned A |
| E 40.00 Federal owned | F 40.00 Federal owned | G 40.00 Federal owned | 2 34.14 Federal owned |

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

12/04/01 09:14:
OGOMES -TQ
PAGE NO:

Sec : 24 Twp : 30N Rng : 14W Section Type : NORMAL

| | | | |
|---------------------------------|--------------------------------------|---------------------------------|--------------------------------------|
| L 40.00 Federal owned | K 40.00 Federal owned | J 40.00 Federal owned | 3 33.51 Federal owned A |
| M 40.00 Federal owned | N 40.00 Federal owned A | O 40.00 Federal owned | 4 32.88 Federal owned |

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

P/KR00-138340317

New Mexico Oil Conservation Division---Engineering Bureau
Administrative Application Process Documentation

Date Application Received: 11-26

Date of Preliminary Review: 12-04
(Note: Must be within 10-days of received date)

Results: **Application Complete** **Application Incomplete**

Date Incomplete Letter Sent: N/A

Deadline to Submit Requested Information: N/A

Phone Call Date: N/A
(Note: Only applies is requested data is not submitted within the 7-day deadline)

Phone Log Completed? **Yes** **No**

Date Application Processed: 12-18

Date Application Returned: _____
(Note: Only as a last resort & only after repeated attempts by the Division to obtain the necessary information to process the application)

Stogner, Michael

From: Hayden, Steven
Sent: Tuesday, December 18, 2001 3:27 PM
To: Stogner, Michael
Subject: RE: Dugan NSL apps

Thanks Mike I will try harder to find them and give them a look.



Steve Hayden
NM OCD District III
1000 Rio Brazos Rd.
Aztec, NM 87410

shayden@state.nm.us
(505) 334-6178 Ext. 14
Fax: (505) 334-6170

-----Original Message-----

From: Stogner, Michael
Sent: Tuesday, December 18, 2001 3:07 PM
To: Hayden, Steven
Subject: RE: Dugan NSL apps

I sent you and Charlie copies of these applications on Dec. 3rd by the US Mail. The mandatory waiting period ended on Monday the 17th. I was out that day, I'll get these two out sometime today. Thanks.

-----Original Message-----

From: Hayden, Steven
Sent: Tuesday, December 18, 2001 10:24 AM
To: Stogner, Michael
Subject: Dugan NSL apps

Mike, I got a call from Kurt Fagrelus this morning asking about two NSL apps Dugan submitted last month, for the Pan Am Fed #2 and the Big Field #90. I haven't seen these and mentioned that they should send copies to the district also. He will send them to us today. Whenever you are ready, let me know and I will review them. He offered to take me out to look over the topography involved, so I assume the reasons are topo.

<< OLE Object: Image Document >>

Steve Hayden
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