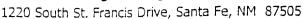
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NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -





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] Location - Spacing Unit - Simultaneous Dedication NSL NSP SD Check One Only for [B] or [C] Commingling - Storage - Measurement ☐ DHC ☐ CTB ☐ PLC ☐ PC OLS [C]Injection - Disposal - Pressure Increase - Enhanced Oil Recovery □ WFX □ PMX □ SWD □ IPI □ EOR □ PPR [D]Other: Specify NOTIFICATION REQUIRED TO: - Check Those Which Apply, or

Does Not Apply [2] Working, Royalty or Overriding Royalty Interest Owners [A]Offset Operators, Leaseholders or Surface Owner [B] Application is One Which Requires Published Legal Notice [C] [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 SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE [3] OF APPLICATION INDICATED ABOVE. 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 Print or Type Name e-mail Address



dugan production corp.



April 23, 2002

CERTIFIED 7000 1940 0003 1548 7217

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

Re:

Application for Administrative Approval of

Unorthodox Location for Dugan Production Corp.'s King Com #2

2385' FSL & 2255' FEL (SE/4) Unit J. Section 11 North, T29N, 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

Geologist

Attachments

cc:

Certified/Return Receipt Requested - 7000 1940 0003 1548 7224 Richardson Operating Company1700, Lincoln St., Ste 1700, Denver, CO. 80203 - NSL Package

Bureau of Land Management- 1235 La Plata Hwy.. Farm. NM 87401 - NSL Package NMOCD, 1000 Rio Brazos Road, Aztec, NM 87410 - NSL Package

District I PO Box 1960, Hobbs, NM 88241-1980

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

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

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State of New Mexico Energy, Minerals & Natural Resources Department

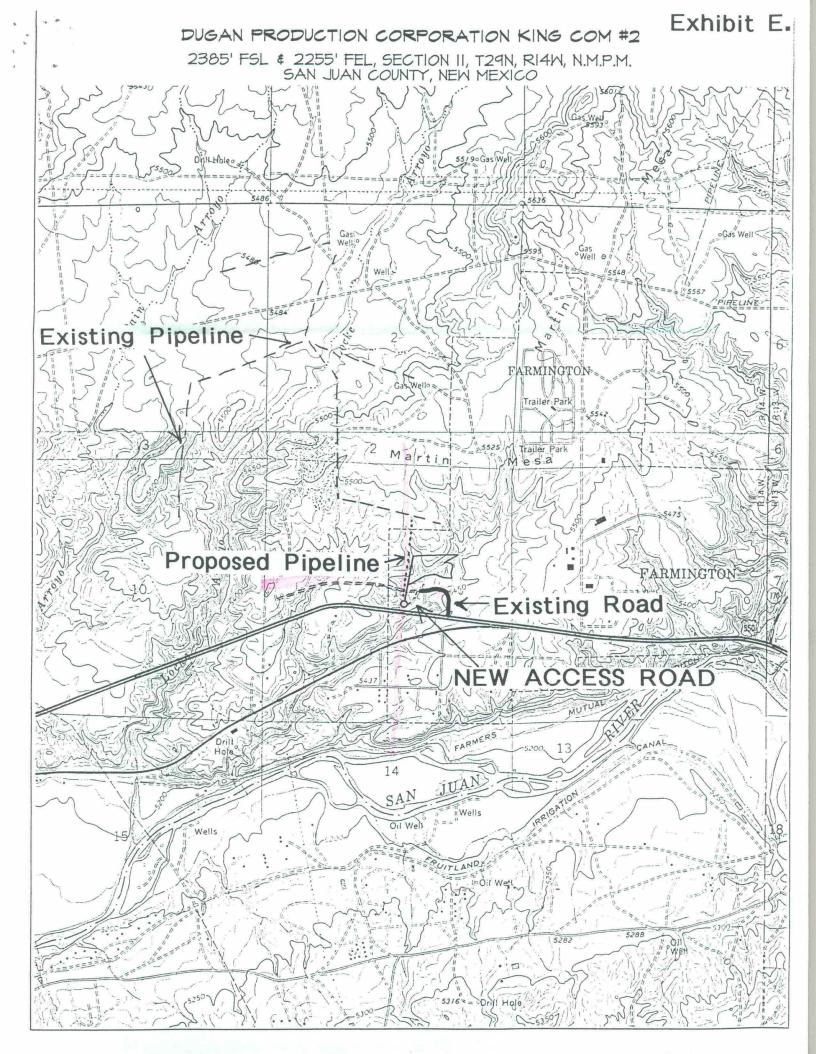
OIL CONSERVATION DIVISION P0 Box 2088 Santa Fe, NM 87504-2088

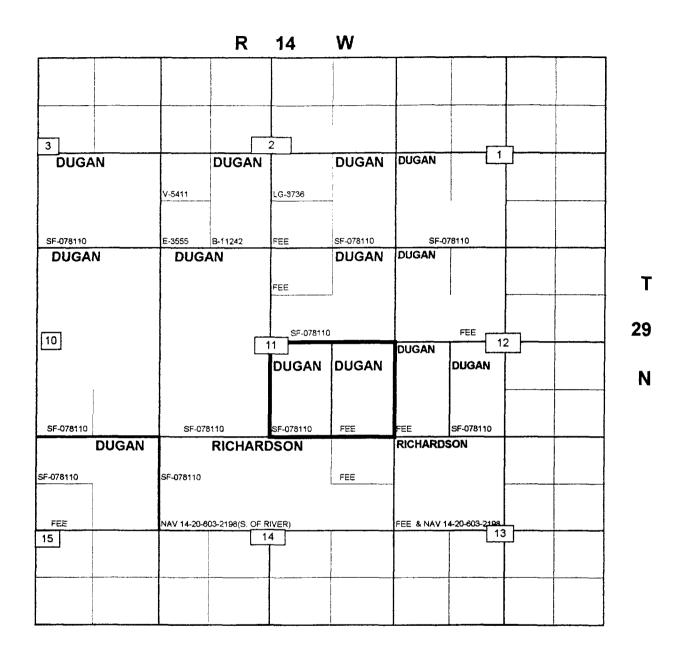
Form C-132 Revised February 21, 1994 Instructions on back
Submit to Appropriate District Office
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Fee Lease – 3 Cocies

Certificate Number

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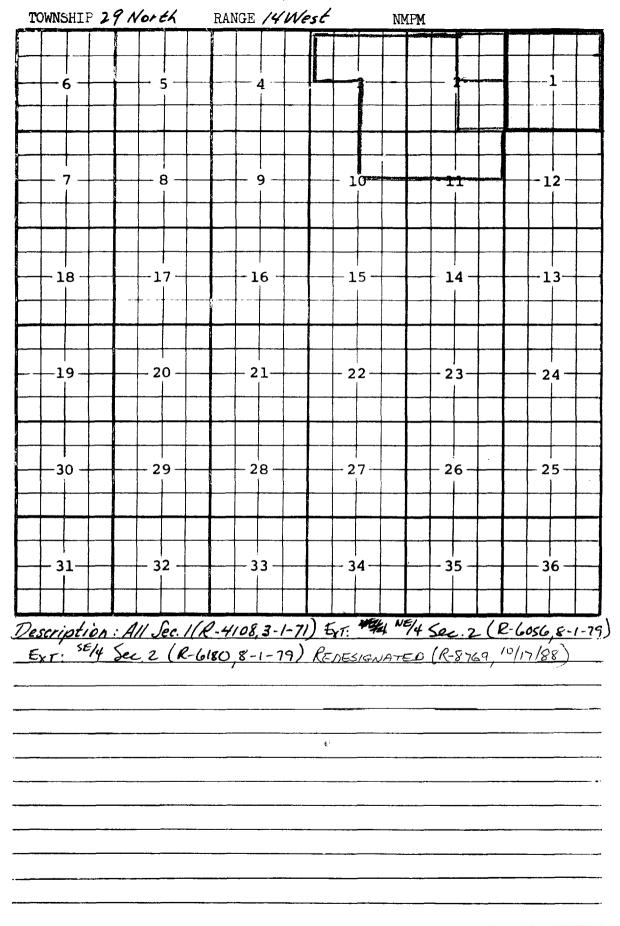


Dugan Production Corp.

Application for Unorthodox Proration Unit

OFFSETTING OPERATORS AND MINERAL
OWNERS MAP
FRUITLAND SAND/PICTURED CLIFFS WELLS

All Offsetting Operators Are Working Interest Owners



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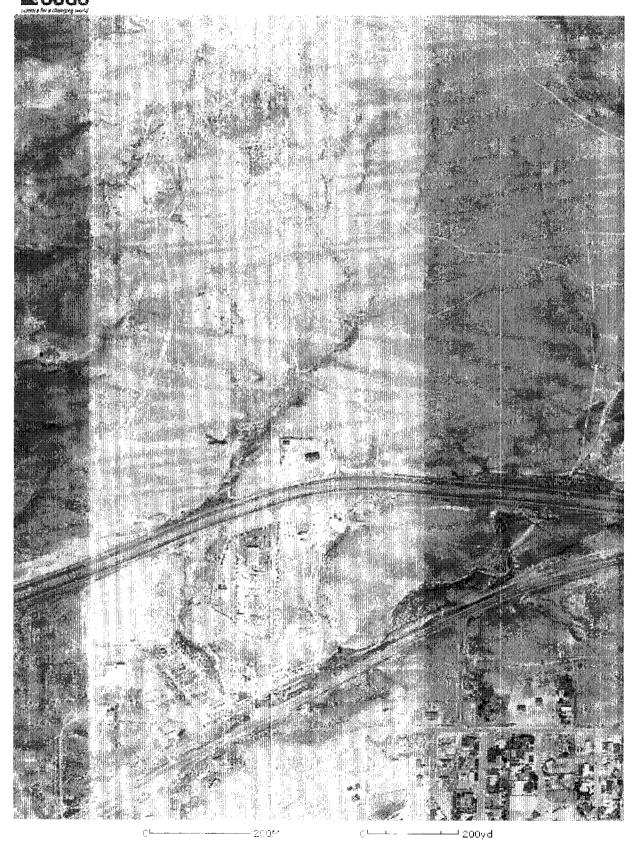




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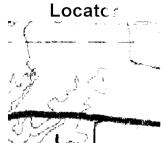


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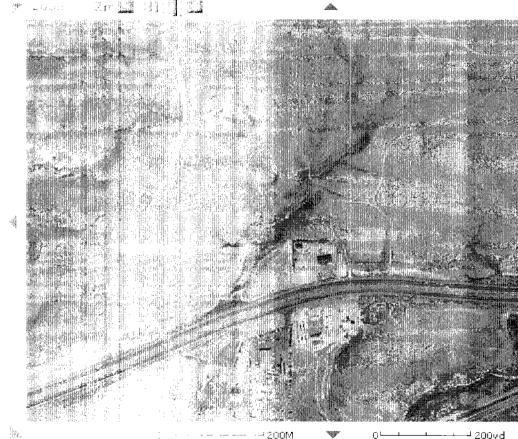
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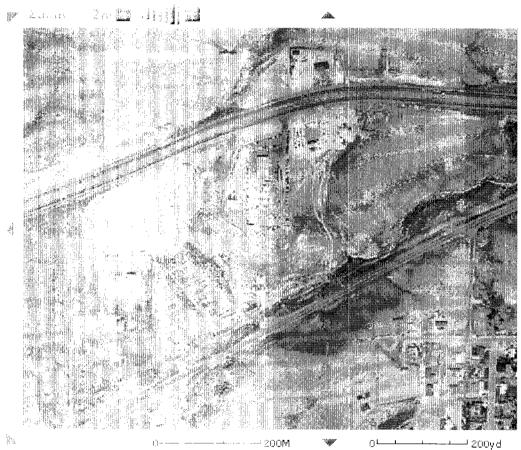
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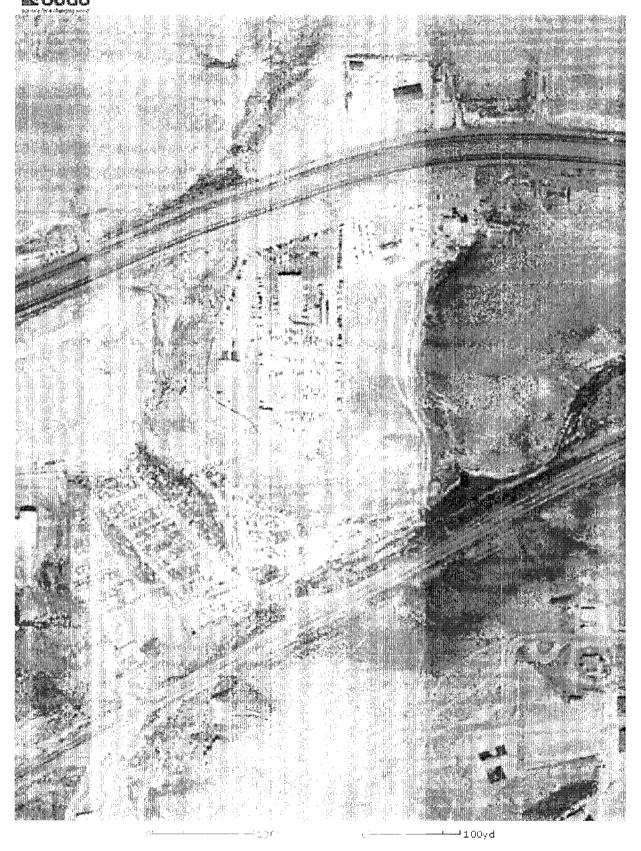




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