

dugan production corp.

OIL CONSERVATION DIVISION
RECEIVED

'93 SEP 3 AM 8 29

August 16, 1993

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

Attention: Mr. Bill Lemay, Division Director

Re: Non-Standard Unit Basin Fruitland Coal

Gentlemen:

Dugan Production Corp. request administrative approval of a non-standard Basin Fruitland Coal Unit for the Jer No.2, 1850' fnl & 1700' fel, 7-28N-3W, Jicarilla Contract 83. The requested unit is the north half of this section which contains 198.62 acres. The well is now a Choza Mesa Pictured Cliffs well. Plans are being made to plug back the PC and complete the coal.

The unit consists of quarter-quarter sections or lots that are contiguous by a common bordering side.

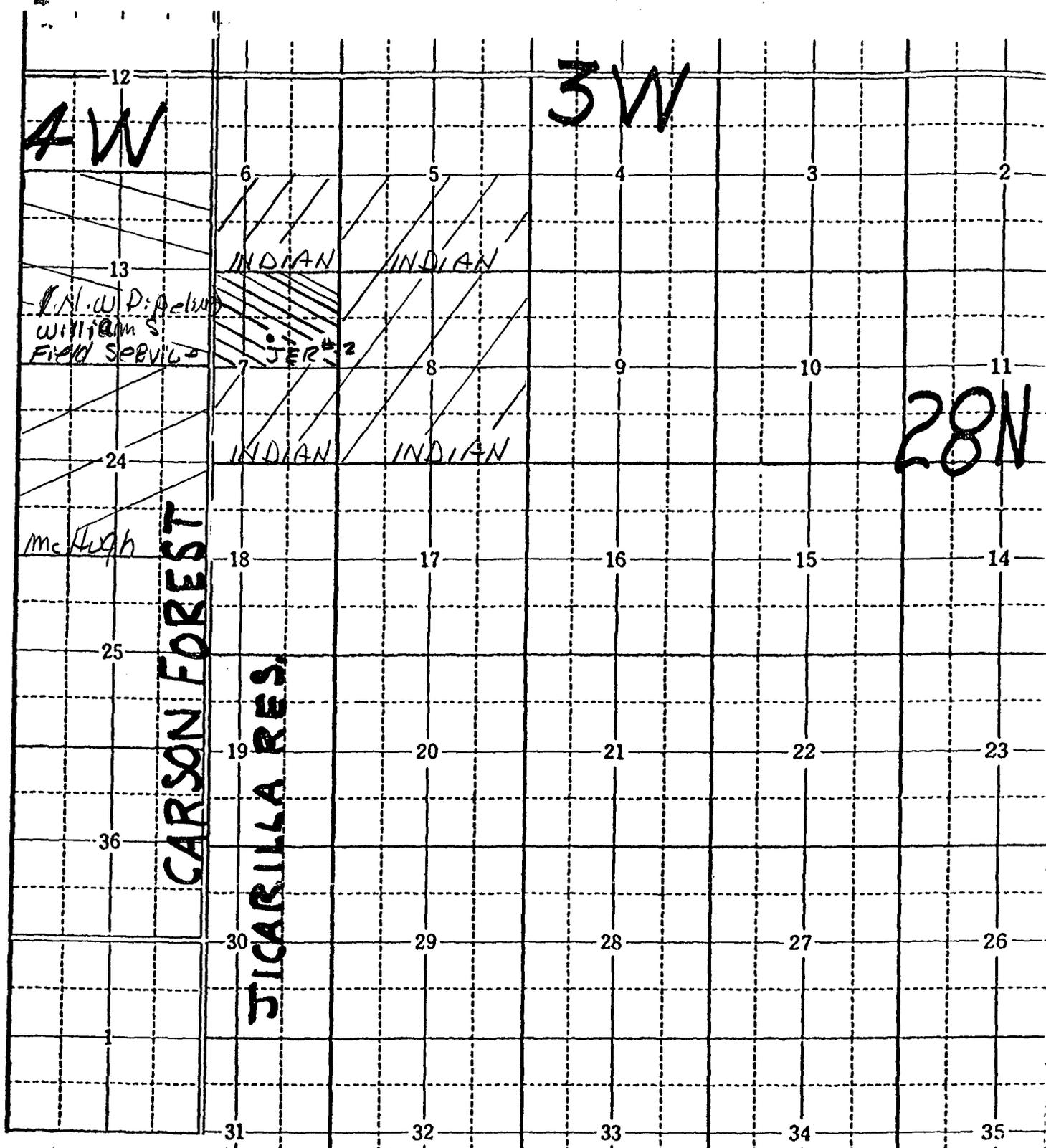
The unit lies wholly within the north half of 7-28N-3W.

Offset operators have been contacted by certified mail to notify them of our intent to form this unit. A copy of the letter and return receipts are attached.

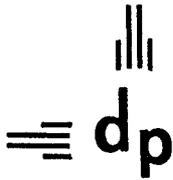
Sincerely,

John Alexander
Operations Manager

Attachments



DUGAN PRODUCTION CORP
 JER #2 G-07-28N-3W
 OFFSET LEASE DATA



dugan production corp.

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 16, 1993

Phillips Petroleum
Attention: Jay Kieke, Jr.
5525 Highway 64
Farmington, N.M. 87401

Re: Non-Standard Unit Basin Fruitland Coal, Jer No.2

Gentlemen:

Dugan Production Corp. is requesting administrative approval of a non-standard Basin Fruitland Coal unit for the Jer No.2, 1850' fnl & 1700' fel, 7-28N-3W, Jicarilla Contract 83. The requested unit is the north half of this section and contains 198.62 acres. The reduced area results from a truncated section.

The well is presently completed in the Choza Mesa Pictured Cliffs. We plan to plug back the Pictured Cliffs and perforate the coal interval.

The unit consists of the entire north half of 7-28N-3W.

A copy of our application and supporting data is attached.

As an offset owner or operator of this proposed unit, we request that you indicate your approval of this application by signing the indicated copy of this letter. Please return it to us in the enclosed stamped envelope. Should you object, you have 30 days to notify the Division Director, New Mexico Oil Conservation Division in Santa Fe.

Sincerely,

John Alexander
Operations Manager

Phillips Petroleum does not object to the formation of the above captioned non-standard unit.

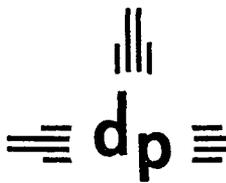
(PRINTED NAME)

(PRINTED TITLE)

(SIGNATURE)

(DATE)

Attachments



dugan production corp.



CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 16, 1993

Jerome P. McHugh
P.O. 809
Farmington, N.M. 87499

Re: Non-Standard Unit Basin Fruitland Coal, Jer No.2

Gentlemen:

Dugan Production Corp. is requesting administrative approval of a non-standard Basin Fruitland Coal unit for the Jer No.2, 1850' fnl & 1700' fel, 7-28N-3W, Jicarilla Contract 83. The requested unit is the north half of this section and contains 198.62 acres. The reduced area results from a truncated section.

The well is presently completed in the Choza Mesa Pictured Cliffs. We plan to plug back the Pictured Cliffs and perforate the coal interval.

The unit consists of the entire north half of 7-28N-3W.

A copy of our application and supporting data is attached.

As an offset owner or operator of this proposed unit, we request that you indicate your approval of this application by signing the indicated copy of this letter. Please return it to us in the enclosed stamped envelope. Should you object, you have 30 days to notify the Division Director, New Mexico Oil Conservation Division in Santa Fe.

Sincerely,

John Alexander
Operations Manager

Jerome P. McHugh does not object to the formation of the above captioned non-standard unit.

(PRINTED NAME)

(PRINTED TITLE)

(SIGNATURE)

(DATE)

Attachments



dugan production corp.



CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 16, 1993

Darrel Tafoya
Real Property Management
Bureau of Indian Affairs
P.O. Box 167
Dulce, N.M. 87528

Re: Non-Standard Unit Basin Fruitland Coal, Jer No.2

Gentlemen:

Dugan Production Corp. is requesting administrative approval of a non-standard Basin Fruitland Coal unit for the Jer No.2, 1850' fnl & 1700' fel, 7-28N-3W, Jicarilla Contract 83. The requested unit is the north half of this section and contains 198.62 acres. The reduced area results from a truncated section.

The well is presently completed in the Choza Mesa Pictured Cliffs. We plan to plug back the Pictured Cliffs and perforate the coal interval.

The unit consists of the entire north half of 7-28N-3W.

A copy of our application and supporting data is attached.

As an offset owner or operator of this proposed unit, we request that you indicate your approval of this application by signing the indicated copy of this letter. Please return it to us in the enclosed stamped envelope. Should you object, you have 30 days to notify the Division Director, New Mexico Oil Conservation Division in Santa Fe.

Sincerely,

John Alexander
Operations Manager

The Bureau of Indian Affairs does not object to the formation of the above captioned non-standard unit.

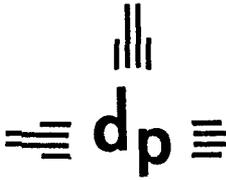
(PRINTED NAME)

(PRINTED TITLE)

(SIGNATURE)

(DATE)

Attachments



dugan production corp.

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 16, 1993

Thurman Velarde
Oil and Gas Administrator
Jicarilla Apache Tribe
P.O. Box 507
Dulce, N.M. 87528

Re: Non-Standard Unit Basin Fruitland Coal, Jer No.2

Gentlemen:

Dugan Production Corp. is requesting administrative approval of a non-standard Basin Fruitland Coal unit for the Jer No.2, 1850' fnl & 1700' fel, 7-28N-3W, Jicarilla Contract 83. The requested unit is the north half of this section and contains 198.62 acres. The reduced area results from a truncated section.

The well is presently completed in the Choza Mesa Pictured Cliffs. We plan to plug back the Pictured Cliffs and perforate the coal interval.

The unit consists of the entire north half of 7-28N-3W.

A copy of our application and supporting data is attached.

As an offset owner or operator of this proposed unit, we request that you indicate your approval of this application by signing the indicated copy of this letter. Please return it to us in the enclosed stamped envelope. Should you object, you have 30 days to notify the Division Director, New Mexico Oil Conservation Division in Santa Fe.

Sincerely,

John Alexander
Operations Manager

The Jicarilla Apache Tribe does not object to the formation of the above captioned non-standard unit.

(PRINTED NAME)

(PRINTED TITLE)

(SIGNATURE)

(DATE)

Attachments



dugan production corp.

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

August 16, 1993

Williams Field Services
Attn: Land Department
P.O. Box 58900
Salt Lake City, Utah 84158-0900

Re: Non-Standard Unit Basin Fruitland Coal, Jer No.2

Gentlemen:

Dugan Production Corp. is requesting administrative approval of a non-standard Basin Fruitland Coal unit for the Jer No.2, 1850' fnl & 1700' fel, 7-28N-3W, Jicarilla Contract 83. The requested unit is the north half of this section and contains 198.62 acres. The reduced area results from a truncated section.

The well is presently completed in the Choza Mesa Pictured Cliffs. We plan to plug back the Pictured Cliffs and perforate the coal interval.

The unit consists of the entire north half of 7-28N-3W.

A copy of our application and supporting data is attached.

As an offset owner or operator of this proposed unit, we request that you indicate your approval of this application by signing the indicated copy of this letter. Please return it to us in the enclosed stamped envelope. Should you object, you have 30 days to notify the Division Director, New Mexico Oil Conservation Division in Santa Fe.

Sincerely,

John Alexander
Operations Manager

Williams Field Services does not object to the formation of the above captioned non-standard unit.

(PRINTED NAME)

(PRINTED TITLE)

(SIGNATURE)

(DATE)

Is your RETURN ADDRESS completed on the reverse side?

SENDER: <ul style="list-style-type: none"> • 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): <ol style="list-style-type: none"> <input type="checkbox"/> Addressee's Address <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.
3. Article Addressed to: Phillips Petroleum Attn: Jay Kieke, Jr. 5525 Highway 64 Farmington, NM 87401	4a. Article Number P 157 111 454	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)	7. Date of Delivery 8-17-93	
6. Signature (Agent)	8. Addressee's Address (Only if requested and fee is paid)	

PS Form 3811, December 1991 ☆ U.S.G.P.O. : 1992-307-530 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER: <ul style="list-style-type: none"> • 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): <ol style="list-style-type: none"> <input type="checkbox"/> Addressee's Address <input type="checkbox"/> Restricted Delivery Consult postmaster for fee.
3. Article Addressed to: Jerome P. McHugh PO Box 809 Farmington, NM 87499	4a. Article Number P 157 111 455	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)	7. Date of Delivery 8-18-93	
6. Signature (Agent)	8. Addressee's Address (Only if requested and fee is paid)	

PS Form 3811, December 1991 ☆ U.S.G.P.O. : 1992-307-530 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- 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):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
 Darrel Tafoya
 Real Property Management
 Bureau of Indian Affairs
 PO Box 167
 Dulce, NM 87528

4a. Article Number
 P 157 111 456

4b. Service Type

Registered Insured

Certified COD

Express Mail Return Receipt for Merchandise

7. Date of Delivery
 08/18/92

5. Signature (Addressee)

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

6. Signature (Agent)
Henry Harvey

PS Form 3811, December 1991 ☆ U.S.G.P.O.: 1992-307-530 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- 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):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to: Thurman Velarde
 Oil & Gas Administrator
 Jicarilla Apache Tribe
 PO Box 507
 Dulce, NM 87528

4a. Article Number
 P 157 ~~111~~ 458

4b. Service Type

Registered Insured

Certified COD

Express Mail Return Receipt for Merchandise

7. Date of Delivery
 8/18

5. Signature (Addressee)

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

6. Signature (Agent)
W. Velarde

PS Form 3811, December 1991 ☆ U.S.G.P.O.: 1992-307-530 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- 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):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
 Williams Field Services
 Attn: Land Department
 PO Box 58900
 Salt Lake City, Utah 84158-0900

4a. Article Number
 P 157 111 457

4b. Service Type

Registered Insured

Certified COD

Express Mail Return Receipt for Merchandise

7. Date of Delivery

5. Signature (Addressee)

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

6. Signature (Agent)
Susan Graybill

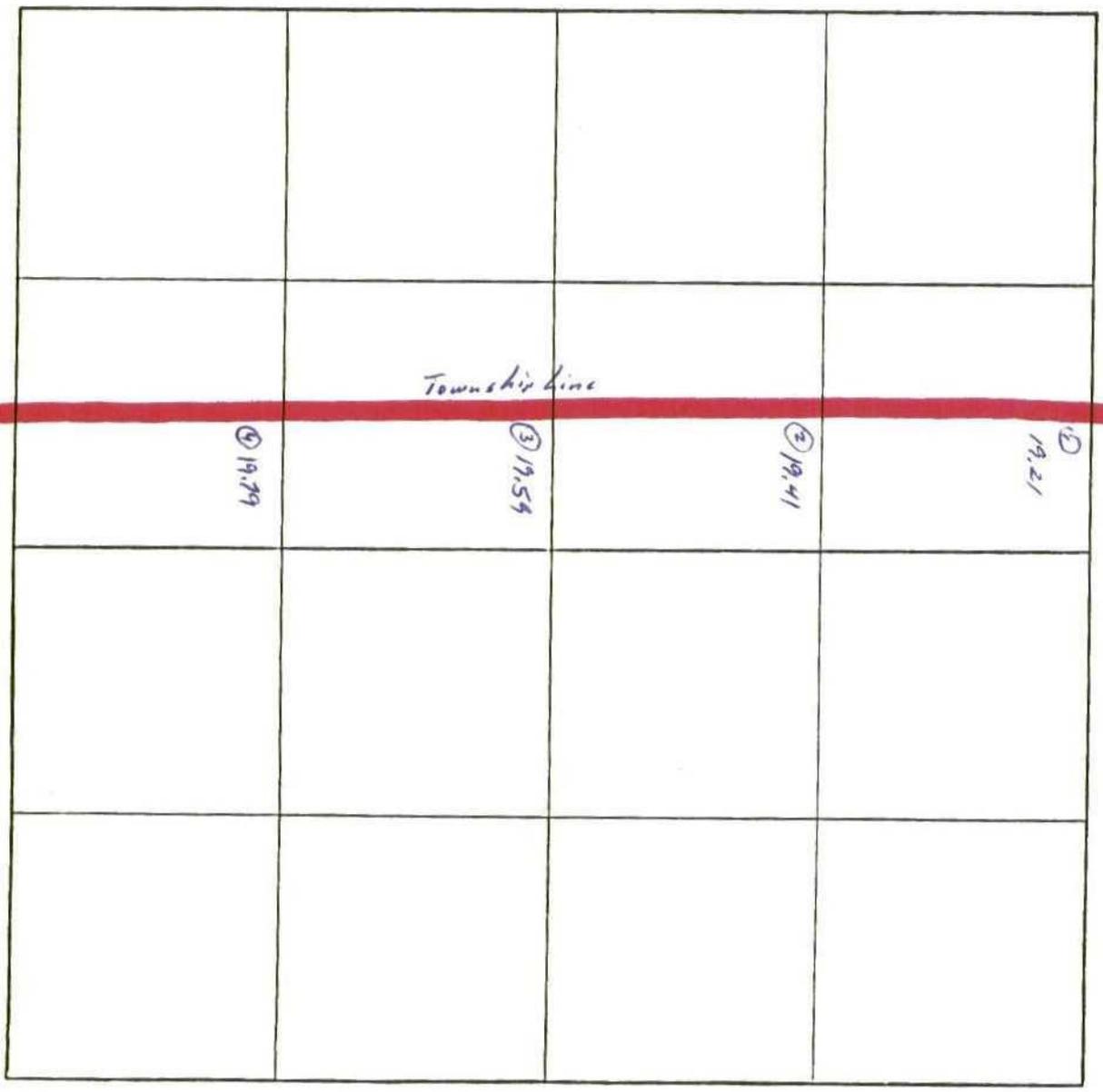
PS Form 3811, December 1991 ☆ U.S.G.P.O.: 1992-307-530 **DOMESTIC RETURN RECEIPT**

Thank you for using Return Receipt Service.

SECTION 7

TOWNSHIP 28 North

RANGE 3 West





STATE OF NEW MEXICO

ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

'93 SEP 20 PM 9 27

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

Date: 9-22-93

Attn: Mike Stogner

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

RE: Proposed MC _____
Proposed NSL X _____
Proposed WFX _____
Proposed NSP _____

Proposed DHC _____
Proposed SWD _____
Proposed PMX _____
Proposed DD _____

Gentlemen:

I have examined the application received on 9-14-93

for the DUGAN PROD CORP. JER #2
OPERATOR LEASE & WELL NO.

G-07-28N-23W and my recommendations are as follows:
UL-S-T-R

Approve

Yours truly,

James Bush