



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Rio Puerco Resource Area
435 Montano N.E.
Albuquerque, New Mexico 87107-4935

TAKE
PRIDE IN
AMERICA

IN REPLY REFER TO:

NMSF 080715, et al.
3160 (017)

NOV 8 1994

Dugan Production Corporation
P.O. Box 420
Farmington, NM 87499

Gentlemen:

Per your letter dated December 8, 1993, we have reviewed your application and have determined that the following wells qualify for use of an Alternative Measurement Method for marginal low flow wells.

<u>Lease #</u>	<u>Well Name</u>	<u>Location</u>
NMSF 080715	Sunico Federal #3	I Sec. 30, T. 24 N., R. 1 W.
NMSF 079338	Sunico Federal #19	I- Sec. 26, T. 24 N., R. 2 W.
NMNM 73917	Sunico David #10	g Sec. 10, T. 25 N., R. 2 W.
NMNM 73839	Sunico Federal #11	K Sec. 23, T. 25 N., R. 2 W.

We agree that the above-mentioned wells meet the standards for Alternative Measurement Methods as stated in NTL 92-5 (New Mexico). Therefore, your application is approved as of December 8, 1993, and will stay in effect as long as the wells continue to meet these standards.

We regret any inconvenience that this late approval may have caused. If you have any questions, please contact Robert Kent at (505) 761-8762.

Sincerely,

Joe Incardine

for Hector A. Villalobos
Area Manager

cc:

✓ NMCCD

Cuba/AIRS

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OIL CON. DIV.
BPM 3