



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 S. PACHECO
SANTA FE, NEW MEXICO 87505
(505) 827-7131

July 1, 1996

RECEIVED
JUL 08 1996

OIL CON. DIV.
DIST. 3

Dugan Production Corp.
P. O. Box 420
Farmington, New Mexico 87499-0420
Attention: Gary Brink

Administrative Order NSL-3686

Dear Mr. Brink:

Reference is made to your application dated June 5, 1996 for a non-standard Basin-Fruitland coal gas well location for your existing John Adams Well No. 2 (API No. 30-045-22204), which was drilled in 1976 to test the Chacra formation for gas at a standard gas well location 1150 feet from the North line and 1520 feet from the West line (Unit C) of Section 10, Township 24 North, Range 9 West, NMPM, San Juan County, New Mexico.

It is our understanding that this well has been "temporarily abandoned" and upon approval of this application said well will be recompleted up-hole into the Basin-Fruitland Coal (Gas) Pool, which pursuant to the "*Special Rules and Regulations for the Basin-Fruitland Coal (Gas) Pool*", as promulgated by Division Order No. R-8768, as amended, is unorthodox.

By the authority granted me under the provisions of Rule 8 of said Order No. R-8768, as amended, the above-described unorthodox coal gas well location for the John Adams Well No. 2 is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/kv

cc: Oil Conservation Division - Aztec ✓
U.S. Bureau of Land Management - Farmington



dugan production corp.



June 5, 1996

COPY

Mr. Michael E. Stogner
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, NM 87505

Subject: Administrative Approval of Unorthodox Location
Dugan Production Corp.
John Adams #2
1150' FNL & 1520' FWL, Sec. 10, T24N, R9W, NMPM
San Juan County, NM
Basin Fruitland Coal

Dear Mr. Stogner:

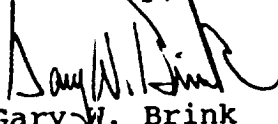
Dugan Production Corp. requests administrative approval for an unorthodox location for its John Adams #2 well under the provisions of NMOCD Order No. R-8768.

The subject well is currently completed in the Chacra formation and it is nonproductive. It is intended to abandon the Chacra zone and recomplete in the Basin Fruitland Coal.

A copy of this application is being submitted to all offset operators by certified mail with a request that they furnish your office in Santa Fe a Waiver of Objection.

Attached is a well location plat showing dedicated acreage, a well location map and a map showing all offsetting operators.

Sincerely,


Gary W. Brink

GWB/cg

cc: New Mexico Oil Conservation Division, Aztec
Bureau of Land Management, Farmington
Offset Operators

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OIL CONSERVATION
DIVISION

District I
PO Box 1900, Hobbs, NM 88241-1900
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brans Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30 045		Pool Code 71629		Pool Name Basin Fruitland Coal	
Property Code		Property Name John Adams			Well Number 2
OGRID No. 006515		Operator Name Dugan Production Corp.			Elevation 6639'

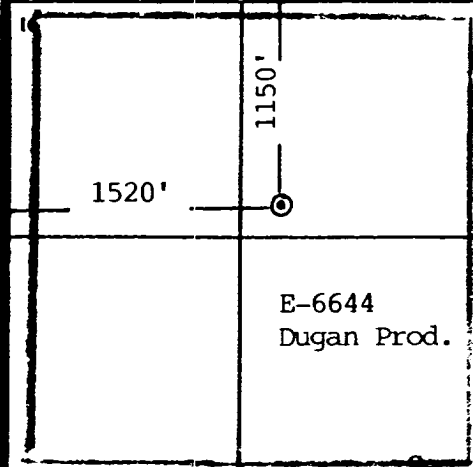
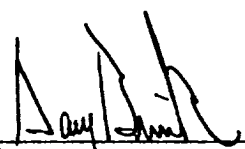
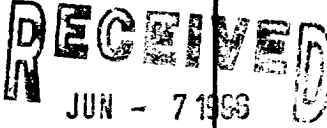
10 Surface Location

UL or lot no. C	Section 10	Township 24N	Range 9W	Lot Ida	Feet from the 1150	North/South line North	Feet from the 1520	East/West line West	County San Juan
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11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320		Joint or Infill		Consolidation Code		Order No. will be communitized			

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

		NM 10755 Dugan Prod. 100%		SF 078859 Dugan Prod. 50% Conoco 50%		17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i>  Signature Gary Brink Printed Name Operations Manager Title 6/5/96 Date	
						18 SURVEYOR CERTIFICATION <i>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.</i> 10-4-76 Date of Survey Signature and Seal of Professional Surveyer: original plat surveyed & signed by E.V. Echohawk, LS 3602 Certificate Number	
							
		OIL CON. DIV. D.S. 3					

Application for Unorthodox Location


Dugan Production Corp.

John Adams #2

Unit C, Sec 10, T24N, R9W, San Juan Co., N.M.

Basin Fruitland Coal

Offset Operator Plat

Open Federal	Open Federal	Open Navajo Allotted	Dugan Prod.
4 Open Federal	Dugan Prod.	3 Open Federal	2 Open Navajo Dugan Prod.
Dugan Prod.	Dugan Prod.	John Adams #2 	Open Navajo Open Federal
9 Dugan Prod.	10 Dugan Prod.	11 Open Navajo	Open Navajo