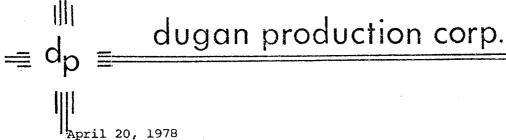
## OIL CONSERVATION COMMISSION Legge DISTRICT

OIL CONSERVATION COMMISSION	DATE 4 - 24-78
BOX 2088	
SANTA FE, NEW MEXICO	RE: Proposed MC
	Proposed DHC
	Proposed NSL
	Proposed SWD
	Proposed WFX
	Proposed PMX
	· · · · · · · · · · · · · · · · · · ·
Gentlemen:	
I have examined the application dated	
for the Duran Nod, Con. Ch. Operator Lease as	Baco#3 F-1-24N-9W
Operator / Lease and	nd Well No. Unit, S-T-R
and my recommendations are as follows:	
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Chay It ilver state	ed prior to the
and being determ	inel as an oil
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	Yours very truly,



Joe D. Ramey Secretary-Director New Mexico Oil Conservation Commission Box 2088 Santa Fe, NM 87501

Re: Application for Administrative Approval of Unorthodox Location Chaco #3 Well San Juan County, New Mexico

Dear Mr. Ramey:

Enclosed are the following items regarding the Application for Administrative Approval of Unorthodox Location for the Chaco #3 Well which is located in Section 1, Township 24 North, Range 9 West, NMPM, San Juan County, New Mexico.

- 1. Three copies of the Application for Administrative Approval of Unorthodox Location for the Chaco #3 Well.
- 2. Three copies of a plat showing the ownership of all leases offsetting the dedicated acreage for which the unorthodox location is sought as well as all wells completed on these leases.
- 3. Three copies of a Certificate of Mailing for the Application stating that all operators of leases offsetting the dedicated acreage for this well have been notified of this Application by Certified Mail.

If you need further information or assistance, please advise.

Sincerely,

Richard Tully General Counsel

VS

**Enclosures** 



## APPLICATION FOR ADMINISTRATIVE APPROVAL OF UNORTHODOX LOCATION

Applicant:

Dugan Production Corp.

Box 234

Farmington, NM 87401

Lease:

USA NM 2337

Lease Date:

June 1, 1967

Lease Term.

Ten years

Land Described in Lease:

Township 24 North, Range 8 West, NMPM

Lots 1, 2, 3, 4, 5, 6, S/2 NE/4, SE/4 NW/4, Section 6: NE/4 SW/4, SE/4

Section 7: N/2 NE/4

Township 24 North, Range 9 West, NMPM

Section 1: Lots 1, 2, 3, 4, S/2

N/2

Containing 962.11 acres, more or less San Juan County, New Mexico

Chaco #3 Well

Name of Well:

Original Dedicated Acreage and Formation:

Township 24 North, Range 9 West, NMPM

Section 1: W/2

Containing 319.88 acres, more or less San Juan County, New Mexico (The above federal lease was to be communitized with Navajo Allotted Lease 14-20-0603-1402 in order to dedicate the W/2 of Section 1.)

Wildcat Basin Dakota formation

Proposed Dedicated Acreage and Formation:

Township 24 North, Range 9 West, NMPM

Section 1: SE/4 NW/4

Containing 40 acres, more or less

San Juan County, New Mexico

San Juan Undesignated Greenhorn--Mancos

--Gallup formation

Proposed Unorthodox Location:

Township 24 North, Range 9 West, NMPM Section 1: 1700' FNL--1450' FWL

San Juan County, New Mexico

Reason for Unorthodox Location:

Recompletion of well previously drilled

to another horizon

This application is pursuant to New Mexico Oil Conservation Commission Rule 104(D) (II) (F).

Offsetting Leases and Operators:

USA NM 2337 (Same Lease) Α.

Township 24 North, Range 9 West, NMPM

Section 1: Lots 1, 2, 3, 4, S/2

NE/4, SW/4 NW/4

San Juan County, New Mexico

Operator: Dugan Production Corp.

Box 234

Parmington NM 97401

8. Navajo Allotted Contract No.
14-20-0603-1402

Township 24 North, Range 9 West, NMPM
Section 1: SW/4
San Juan County, New Mexico
Operator: Dugan Production Corp.
Box 234
Farmington, NM 87401

C. Fee Leases
Township 24 North, Range 9 West, NMPM
Section 1: SE/4
San Juan County, New Mexico
Operators: Dugan Production Corp.
Box 234
Farmington, NM 87401

J. V. Fritts Box 868 Roswell, NM 88201

Hanesco, Inc. Box 182 Roswell, NM 88201

Howard C. Brown 4604 N. W. 59th Terr. Oklahoma City, OK 73122

## Application for Administrative Approval of Unorthodox Location Chaco #3 Well San Juan County, New Mexico

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\* Proposed Location

Proposed Dedicated Acreage

**USA NM** 2337

Navajo Allotted Contract No. 14-20-0603-1402

Fee Leases

## CERTIFICATE OF MAILING

I hereby certify that I mailed a true copy of the Application for Administrative Approval of Unorthodox Location for the Chaco #3 Well by certified mail to each of the offsetting operators and the Supervisor of the District III Office of the New Mexico Oil Conservation Commission on April 21, 1978.

DUGAN PRODUCTION CORP.

Bv:

Richard Tully General Counsel

Box 234

Farmington, NM 87401