



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 27, 1998

Dugan Production Corporation
P. O. Box 420
Farmington, New Mexico 87499-0420
Attention: John D. Roe

Administrative Order NSL-4018

Dear Mr. Roe:

Reference is made to your application dated April 3, 1998 for a non-standard gas well location within the WAW-Fruitland Sand-Pictured Cliffs Pool for the existing Ginther Gas Com. Well No. 2 (API No. 30-045-06512), located 2310 feet from the South line and 1850 feet from the West line (Unit K) of Section 13, Township 27 North, Range 13 West, NMPM, San Juan County, New Mexico. The SW/4 of said Section 13 is to be dedicated to said well in order to form a standard 160-acre gas spacing and proration unit for said pool.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Division General Rule 104.F(2), the above-described unorthodox gas well location is hereby approved.

Sincerely,


LORI WROTENBERY
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec /
U.S. Bureau of Land Management - Farmington

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