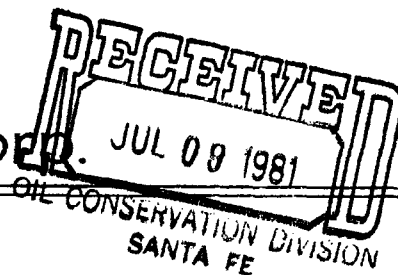


|||
= dp =
|||

dugan production corp.



July 6, 1981

Joe D. Ramey
Division Director
New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

*NSL 1392
Rule 3 R/670
Aug 12, 1981*

Re: Application for Administrative Approval of
Unorthodox Location for Jerome P. McHugh's
Negro Canyon #1, 2300' FNL - 160' FWL, Sec 7 T31N R7W
San Juan County, New Mexico

Dear Mr. Ramey:

Basin Dakota

Enclosed please find three copies of the Application for Administrative Approval of the Unorthodox Location for the above-referenced well, which application includes a plat showing the ownership of all leases offsetting this spacing unit for which the unorthodox location is sought, and all wells completed thereon, and a plat showing the existent topographical conditions of the well location. Also enclosed are copies of the dedicated acreage plat.

Copies of this application are being submitted to all offsetting operators by certified mail with a request that they furnish your office with a waiver of objection.

Please advise if you need further information.

Sincerely,

Jerome P. McHugh Jr.

Jerome P. McHugh Jr.
Agent for Applicant

fp

Enclosures

cc: Jerome P. McHugh

Page 1 of 2

Joe D. Ramey
July 6, 1981
Page 2

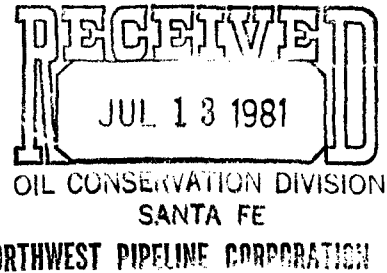
RECEIVED
JUL 09 1981
JEROME P. McHUGH
Negro Canyon
OIL CONSERVATION DIVISION
SANTA FE

xc: Frank Chavez
New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

James Sims
U. S. Geological Survey
Oil & Gas Operations
P O Drawer 600
Farmington, NM 87401

Forrest H. Wood
Northwest Pipeline Corp.
P O Box 90
Farmington, NM 87401

Jerome P. McHugh
650 South Cherry St., Suite 1225
No. 1074
P O Box 22557
Denver, CO 80222



APPLICATION FOR ADMINISTRATIVE APPROVAL
OF UNORTHODOX LOCATION

Applicant: Jerome P. McHugh

JUL 9 1981

Name of Well: Negro Canyon #1

PRODUCTION AND DRILLING

Land Dedicated to the Well: Township 31 North, Range 7 West N.M.P.M.

Section 7, Special proration unit: Tract I of 31-7
San Juan County, NM
By orders R-2046 & R-1066

Proposed Unorthodox Location: 2300' FNL - 160' FWL
Sec 7 T31N R7W
San Juan County, NM

Reason for Unorthodox Location: Topographical conditions in tract #54 of
Section 7. The steep slope and Lake Navajo pro-
hibit an orthodox location.

Offsetting Leases and Operators
and Well Completions:

See Exhibit "A", attached hereto and incorporated
herein by reference.

Existent Topographical Conditions: See Exhibits "B" and "C", attached hereto
and incorporated herein by reference.

New Mexico Oil Conservation Division
Rule Authorizing Application:

Rule 104-F

BY: Jim L. Jacobs
Jim L. Jacobs, Agent

Waiver:

_____ hereby acknowledges receipt of the
Application for Administrative Approval of Unorthodox Location filed by
Jerome P. McHugh _____ herein and hereby waives objection to
Jerome P. McHugh's _____ Application for Administrative
Approval of Unorthodox Location for their Negro Canyon #1
Well as proposed herein.

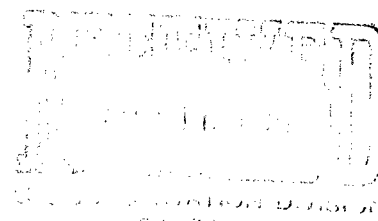
NORTHWEST PIPELINE CORPORATION
BY: JH 2008
DATE: 6-9-81



Southland Royalty Company

July 31, 1981

Dugan Production Corporation
P. O. Box 208
Farmington, NM 87401



Gentlemen:

RE: Jerome P. McHugh
Negro Canyon #1
2300' FNL & 160' FWL
Sec. 7, T31N, R7W
San Juan, Co., NM

Please be advised that Southland Royalty Company does not operate
offset acreage to the subject well.

Sincerely,

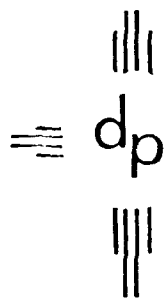
SOUTHLAND ROYALTY COMPANY

L. O. Van Ryan
District Production Manager

LOVR/ke

attachments

*Copy To Ramay
F. Chavez
McHugh
With Re-AMENDED Exhibit A
& offsetting operators*



dugan production corp.

August 7, 1981

Supron Energy Corp.
Box 808
Farmington, NM 87401

RECEIVED
NEW MEXICO
OIL CONSERVATION
DIVISION
SANTA FE
AUG 10 1981

RE: Application for Administrative Approval of
Unorthodox Location for Jerome P. McHugh's
Negro Canyon #1, located 2300' FNL - 160' FWL,
Sec 7, T31N R7W, San Juan County, NM

Gentlemen:

Enclosed are copies of the instruments filed with the New Mexico Oil Conservation Division regarding the Application for Administrative Approval of the Unorthodox Location for the above-referenced well.

If you do not have any objection to this unorthodox location, please sign all three copies of this waiver. Please send one executed copy to Joe D. Ramey, Division Director, New Mexico Oil Conservation Division, P. O. Box 2088, Santa Fe, NM, 87501, and return one executed copy to our office. The remaining copy is for your records.

Thank you in advance for your assistance and cooperation in this matter.

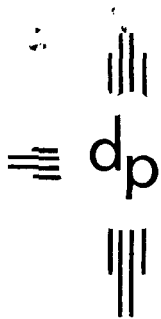
Sincerely,

Jerome P. McHugh Jr.
Agent for Applicant

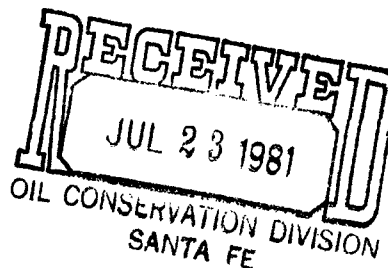
fp

Enclosures

cc: McHugh
NMOCD, Santa Fe
NMOCD, Aztec



dugan production corp.



July 21, 1981

✓ Joe D. Ramey, Division Director
New Mexico Oil Conservation Division
P O Box 2088
Santa Fe, NM 87501

Frank Chavez
New Mexico Oil Conservation Division
1000 Rio Brazos Rd.
Aztec, NM 87410

James Sims
U S Geological Survey
Oil & Gas Operations
P O Drawer 600
Farmington, NM 87401

RE: Jerome P. McHugh's Negro Canyon #1
Application for Administrative Approval
of Unorthodox location - submitted 7-7-81

Dear Sir:

Enclosed is an amended copy of Exhibit "A" (sketch and list of offsetting operators) to be filed with our above-referenced application.

Copies of the application and request for waiver have been sent to Southland Royalty via certified mail, with the request that they forward a signed copy of that waiver to NMOCD in Santa Fe.

Thank you,

Jerome P. McHugh Jr.

Encl.

cc: McHugh

fp

OFFSETTING OPERATORS

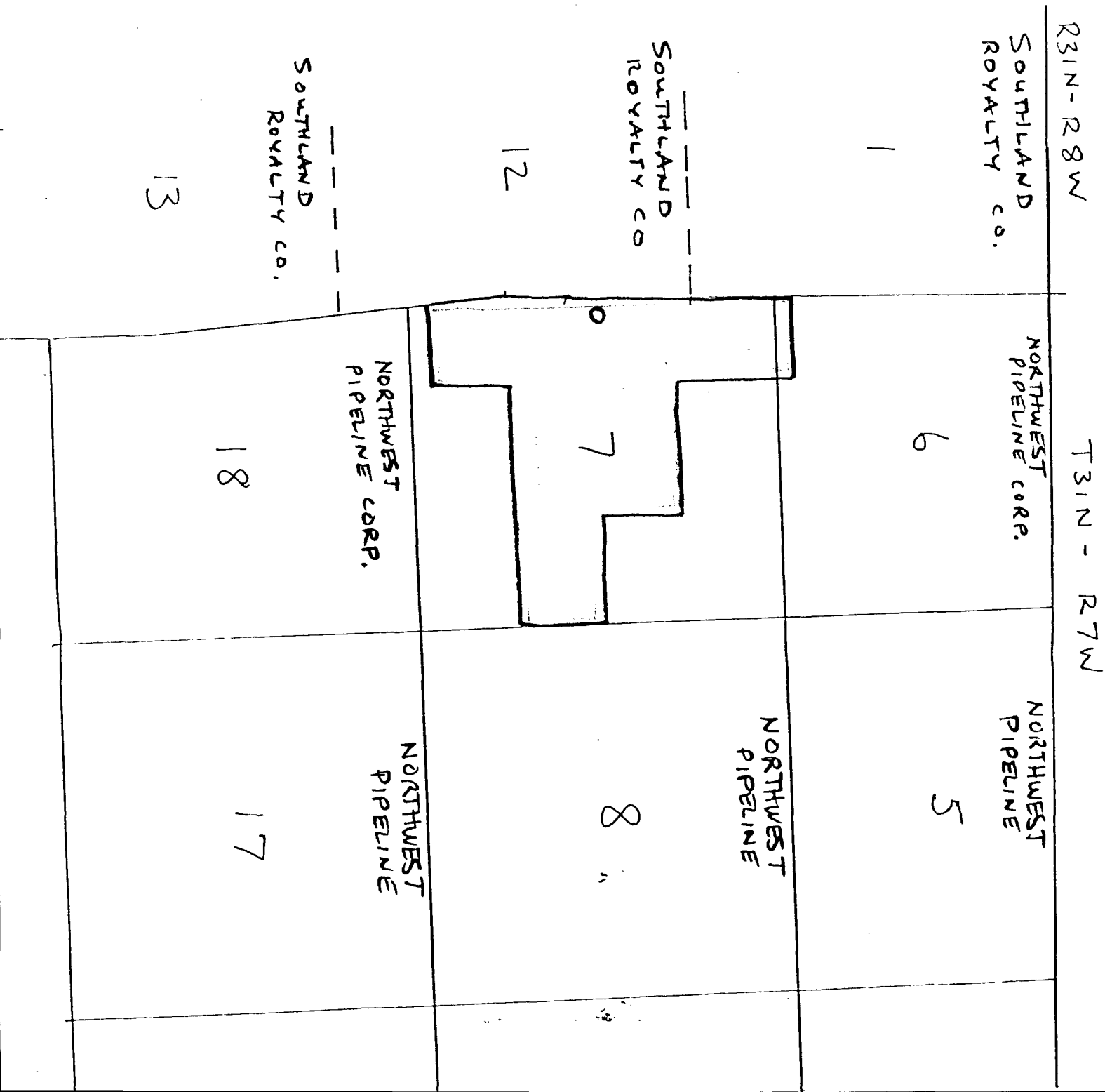
Northwest Pipeline Corp.
P O Box 90
Farmington, NM 87401

Southland Royalty Co.
P O Drawer 570
Farmington, NM 87401

JEROME P. McHUGH
Negro Canyon #1

Application for Administrative
Approval of Unorthodox Location

Exhibit "A" AMENDED





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

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

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE July 15, 1981

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL ☒ _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated July 8, 1981
for the Jerome P. McHugh Negro Canyon #1 E -7-31N-7W
Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Tenneco owns rights within the irregular drill tract
and has expressed an interest in drilling a well also.
In fact Tenneco's well may be on a standard location.
Jerome P. McHugh's well as located would be approved
because of the topography, but thought you would like
to know about Tenneco's interest.

Yours truly,

Jeff A. Edmister.
JAE





STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE

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

OIL CONSERVATION DIVISION
BOX 2088
SANTA FE, NEW MEXICO 87501

DATE July 5, 1981

RE: Proposed MC _____
Proposed DHC _____
Proposed NSL / _____
Proposed SWD _____
Proposed WFX _____
Proposed PMX _____

Gentlemen:

I have examined the application dated July 1, 1981
for the Mc Operator Lease and Well No. Unit, S-T-R

and my recommendations are as follows:

Yours truly,

RECEIVED
JUL 20 1981
OIL CONSERVATION DIVISION
SANTA FE



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

July 13, 1981

BRUCE KING
GOVERNOR

LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

Dugan Production Corp.
P. O. Box 208
Farmington, New Mexico 87401

Re: Application for Non-Standard
Location: Jerome P. McHugh's
Negro Canyon Well No. 1, Sec. 7,
T-31-N, R-7-W, San Juan County

We may not process the subject application for non-standard location until the required information or plats checked below (is) (are) submitted.

☐ A plat must be submitted clearly showing the ownership of the offsetting leases.

☐ A statement must be submitted that offset owners have been notified of the application by certified mail.

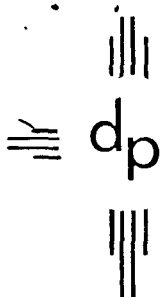
☐ A plat must be submitted fully identifying the topography necessitating the non-standard location.

☒ Other: Please show the overship to the North, Northwest, West, Southwest and South.

Very truly yours,

R. L. STAMETS
Technical Support Chief

RLS/dr



dugan production corp.

July 6, 1981

✓ Frank Chavez
New Mexico Oil Conservation Division
1000 Rio Brazos Rd.
Aztec, NM 87410

James F. Sims
U. S. Geological Survey
P. O. Box 959
Farmington, NM 87401

Re: Application for Administrative Approval of
Unorthodox Location for Jerome P. McHugh's
Negro Canyon #1, 2300' FNL - 160' FWL, Sec 7 T31N R7W
San Juan County, New Mexico

Dear Sir:

Enclosed are copies of the instruments filed with the New Mexico
Oil Conservation Division regarding the Application for Administrative
Approval of the Unorthodox Location for the above-referenced well.

Sincerely,

Jerome P. McHugh, Jr.

Jerome P. McHugh, Jr.
Agent for Applicant

fp

Enclosures

cc: Jerome P. McHugh



OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

All distances must be from the outer boundaries of the Section

Operator Jerome P. McHugh			Lease Negro Canyon		
Unit Letter E	Section 7	Township 31 North	Range 7 West	County San Juan	
Actual Footage Location of Well: 2300 feet from the North line and 160 feet from the West line					
Ground Level Elev. 6290	Producing Formation Dakota		Pool Basin Dakota	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.

JEROME P. McHUGH
Negro Canyon #1Application for Administrative
Approval of Unorthodox Location

Exhibit "B"

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name Jerome P. McHugh
Position Agent
Company Jerome P. McHugh
Date 7-6-81

I hereby certify that the location shown on this plat was located in the field not of actual survey, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
July 2, 1981
Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover
Certificate No. 5979
Edgar L. Risenhoover, L.S.

Tract "I" of 31-7
By Order: R-2046
R-1066

SEC 7

TRACT #54

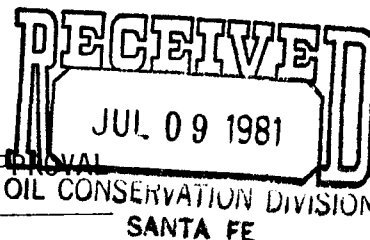
0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0



JEROME P. McHUGH
Negro Canyon #1

Application for Administrative
Approval of Unorthodox Loc.

Exhibit "C"



APPLICATION FOR ADMINISTRATIVE APPROVAL
OF UNORTHODOX LOCATION

Applicant: Jerome P. McHugh

Name of Well: Negro Canyon #1

Land Dedicated to the Well: Township 31 North, Range 7 West N.M.P.M.

Section 7, Special proration unit: Tract I of 31-7
San Juan County, NM
By orders R-2046 & R-1066

Proposed Unorthodox Location: 2300' FNL - 160' FWL
Sec 7 T31N R7W
San Juan County, NM

Reason for Unorthodox Location: Topographical conditions in tract #54 of
Section 7. The steep slope and Lake Navajo pro-
hibit an orthodox location.

Offsetting Leases and Operators
and Well Completions:

See Exhibit "A", attached hereto and incorporated
herein by reference.

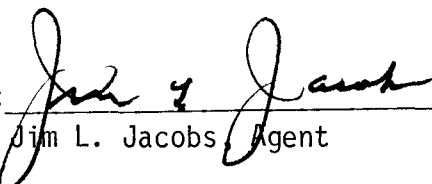
Existent Topographical Conditions:

See Exhibits "B" and "C", attached hereto
and incorporated herein by reference.

New Mexico Oil Conservation Division
Rule Authorizing Application:

Rule 104-F

BY:


Jim L. Jacobs, Agent

OFFSETTING OPERATORS

Northwest Pipeline Corp.
P O Box 90
Farmington, NM 87401

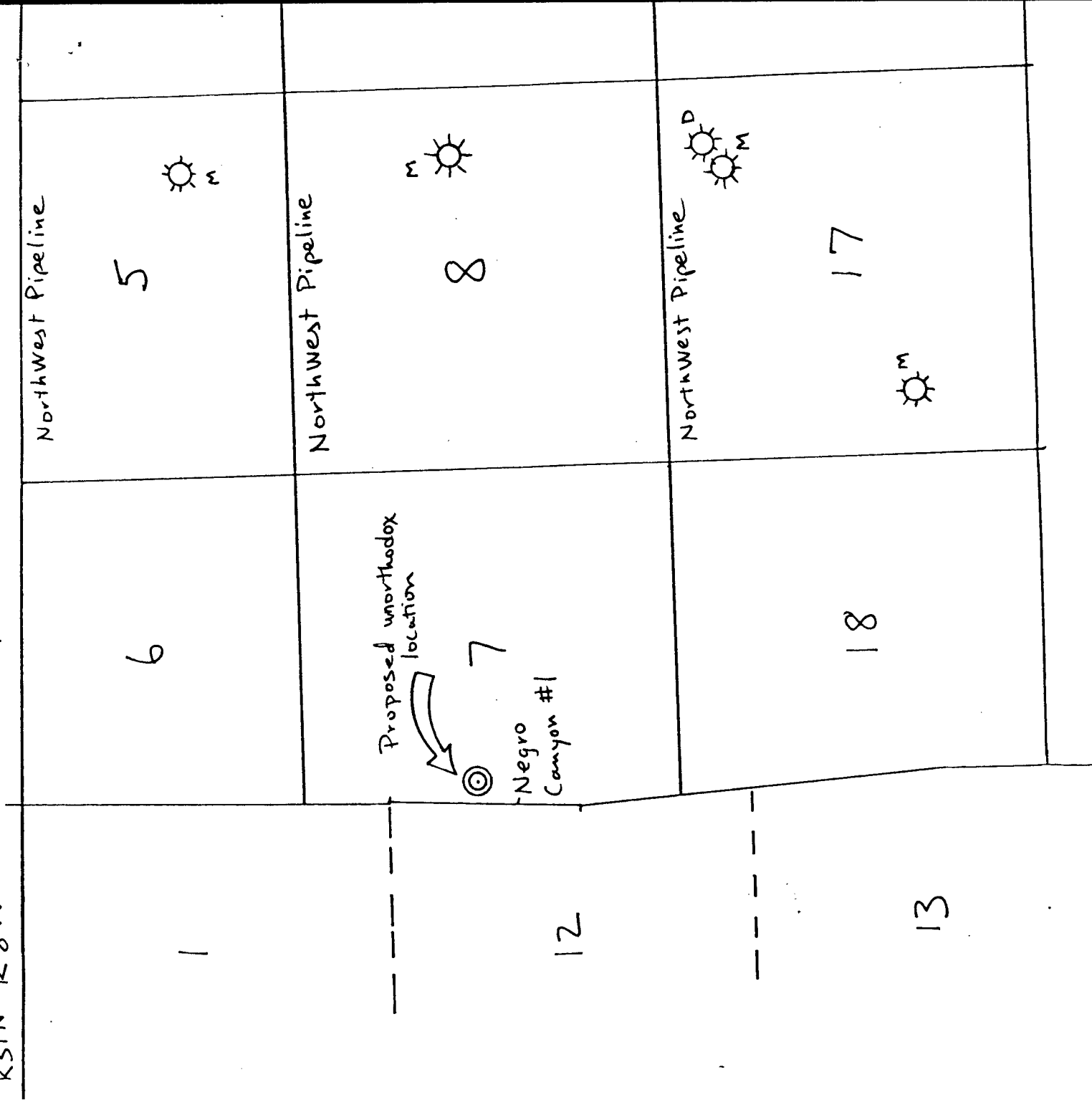
JEROME P. McHUGH
Negro Canyon #1

Application for Administrative
Approval of Unorthodox Location

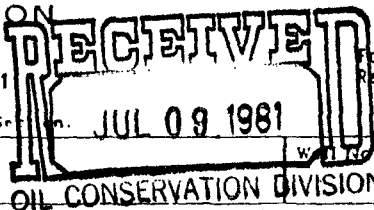
Exhibit "A"

R31N-R8W

T31N-R7W



OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENTP. O. BOX 2088
SANTA FE, NEW MEXICO 87501Form C-102
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

Operator Jerome P. McHugh			Lease Negro Canyon		
Unit Letter E	Section 7	Township 31 North	Range 7 West	County SANTA FE	
Actual Footage Location of Well: 2300 feet from the North line and 160 feet from the West line					
Ground Level Elev. 6290	Producing Formation Dakota		Pool Basin Dakota	Dedicated Acreage: 320 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.

JEROME P. McHUGH
Negro Canyon #1

Application for Administrative
Approval of Unorthodox Location

Exhibit "B"

CERTIFICATION

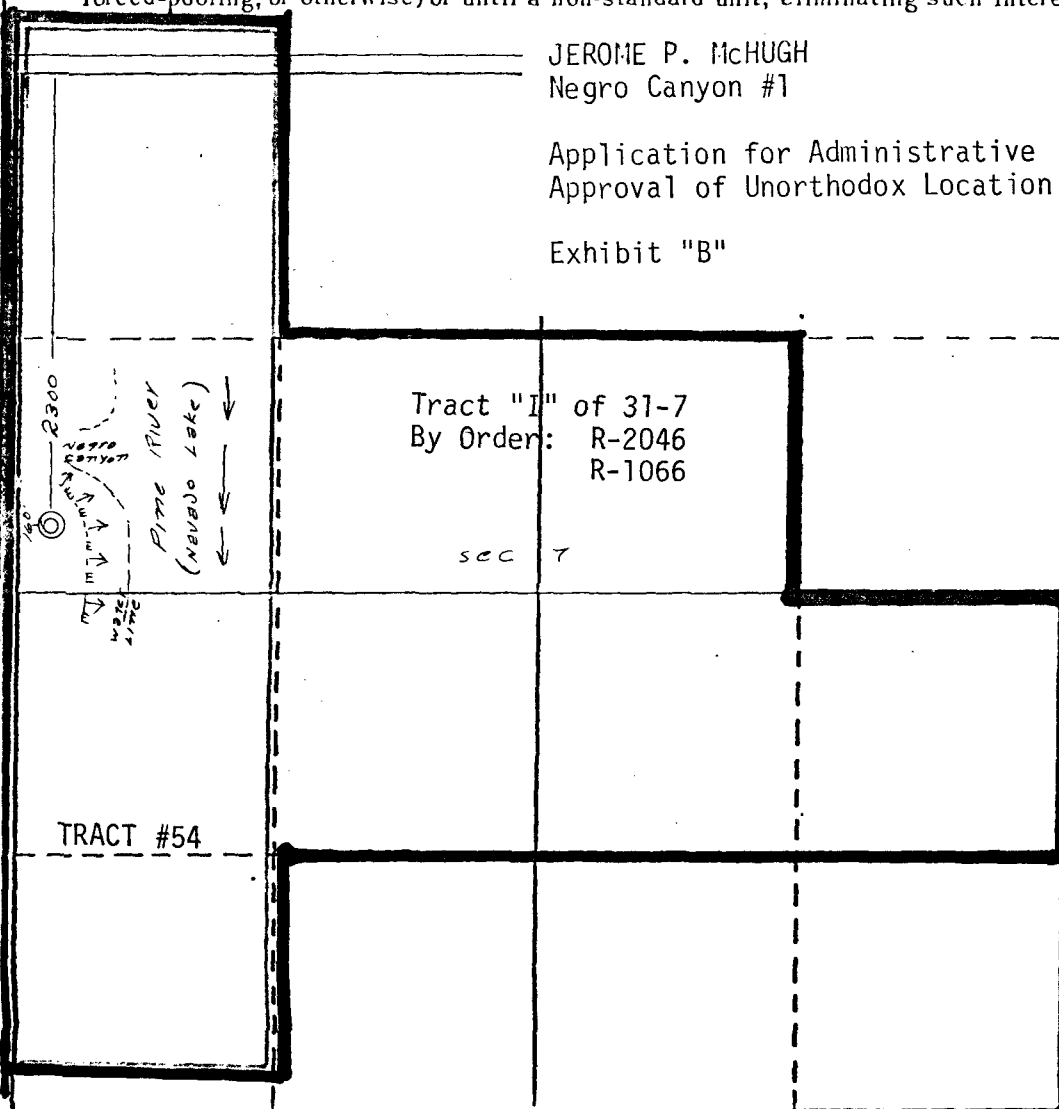
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
Jerome P. McHugh
Position
Agent
Company
Jerome P. McHugh
Date
7-6-81

I hereby certify that the location shown on this plat was taken from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
July 2, 1981
Registered Professional Engineer
and/or Land Surveyor

Edgar L. Risenhoover
Certificate No. 5979
Edgar L. Risenhoover, L.S.





JEROME P. McHUGH
Negro Canyon #1

Application for Administrative
Approval of Unorthodox Loc.

Exhibit "C"