

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

August 26, 1981

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

GOVERNOR

BRUCE KING

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

Attention: Mr. Thomas A. Dugan

Administrative Order NSL-1404

Gentlemen:

Reference is made to your application for a non-standard location for your Tapacitos Well No. 2 located 1545 feet from the South line and 790 feet from the West line of Section 25, Township 26 North, Range 2 West, NMPM, Mancos Shale, Rio Arriba County, New Mexico.

By authority granted me under the provisions of Rule 104 F of the Division Rules and Regulations, the above-described unorthodox location is hereby approved.

Sincerely,

JOE D. RAMEY, Director

JDR/RLS/dr

cc: Oil Conservation Division - Aztec Oil & Gas Engineering Committee - Hobbs U. S. Geological Survey - Farmington