

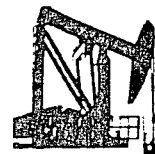


TONEY ANAYA  
GOVERNOR

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

April 3, 1986

50 YEARS



1935 - 1985

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-5800

Dugan Production Corp.  
P. O. Box 208  
Farmington, New Mexico 87499-0208

Attention: Sherman E. Dugan

Administrative Order NSL-2243

Gentlemen:

Reference is made to your application for Four Corners Exploration Co. for a non-standard location for their Lybrook 4 well located 1570 feet from the South line and 2390 feet from the West line of Section 3, Township 23 North, Range 7 West, NMPM, Lybrook Gallup Pool, Rio Arriba County, New Mexico. The NE/4 SW/4 of said Section 3 shall be dedicated to the well.

By authority granted me under the provisions of Rule 104 F(I), the above-described unorthodox location is hereby approved.

Sincerely,

R. L. STAMETS, DIRECTOR

RLS/DC/dr

cc: Oil Conservation Division - Aztec  
Bureau of Land Management - Farmington