# Relevoe May 12, 1984. Objection withdraw dugan production corp.

March 11, 1986

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

COAC 8829 NSC - 2267 RUE-104F(T)

Application for Administrative Approval of Unorthodox Location for Dugan Production Corp. Divide #3, 1780' FSL & 2120' FWL, Sec. 35, T26N, R2W, NMPM,

Rio Arriba County, NM - Mancos Tests

Dear Mr. Chavez:

Cavilin Mancos Pool 37) Aus dad, Watech 35

We hereby request approval of an unorthodox location for the subject well. Copies of the well location plat, topographic map, a map showing offsetting operators and a production map are attached for your reference.

The unorthodox location is necessary due to topographic conditions (steep sandstone bluffs with narrow dendritic drainage) and the existance of a Ciniza Oil pipeline.

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

We request your approval of this location under the provisions of NMOCD Rule 104-F.

Sincerely,

Geologist

Sherman E. Dugan

MAR 1 4 1986

OIL CON. DIV. DIST. 3

cq

cc: El Paso Natural Gas Co. Margaret Hill

Alinda Hunt Hill Trust

David Schaffnit

Bureau of Land Management Michael W. Murphy Mallon Oil Amoco Production

WAIVER

hereby waives objection to the above application for

unorthodox location.

By:

#### OIL CONSERVATION DIVISION

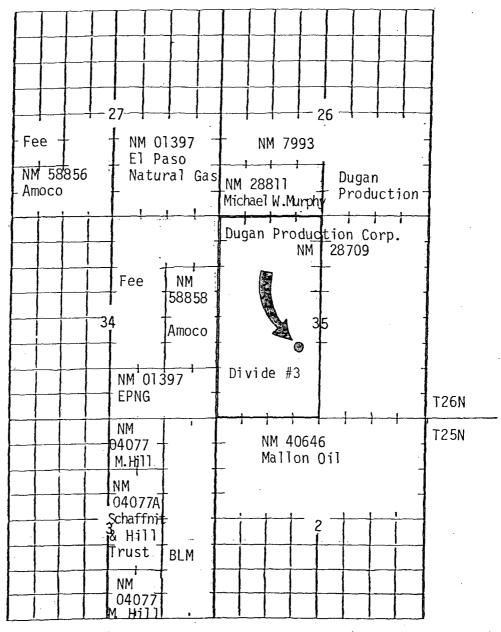
### STATE OF NEW MEXICO

Form C-102 Revised 10-1-78

P, O, BÖX 2088 ENERGY AND MINERALS DEPARTMENT SANTA FE, NEW MEXICO 87501

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R-2-W

Unorthodox Location Application
Dugan Production Corp.
Divide #3
1780' FSL & 2120' FWL, Sec. 35, T26N, R2W, NMPM
Rio Arriba County, NM

Map of Off-setting Operators
320 Acre Proration Unit

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J.P. M. Hugh 71 X	EDNG Mtn States M	Andrew Comments of the Comment	Unorthodox Lo Dugan Product Divide #3 Production Ma		20

#### MALLON OIL COMPANY

2850 Security Life Building, Denver, Colorado 80202 (303) 572-1511

March 24, 1986

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

Attn: Frank Chavez

Re: Application for Administrative Approval of Unorthodox Location for Dugan Production Corp.

Divide #3, 1780' FSL & 2120' FWL, Sec. 35, T26N, R2W, NMPM

Rio Arriba County, New Mexico - Mancos Test

Dear Mr. Chavez:

Mallon Oil Company objects to the application of Dugan Production to request an unorthodox location of the Divide #3. This well should be moved approximately 300 feet west to conform with Gavilan Pool spacing rules. It appears from the topographic maps and aerial photographs that it would not be significant to move to a legal location and avoid the Cinza Pipeline which runs east-west.

Allowing an unorthodox location would crowd effective spacing in the immediate area to less than 160 acre spacing.

Sincerely,

MALLON OIL COMPANY

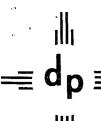
George O. Mallon, Jr.

President

GOM:sb Enclosure

cc: Tom Dugan

OIL CON. DIV



## dugan production corp.



May 7, 1986

Mr. Jeff Taylor Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87504-2088

RE: Divide #3 Well

Dear Jeff:

Enclosed please find copies of letters dated April 29, 1986 and March 11, 1986 showing the Waiver from Mallon Oil Company. These are being forwarded for your files.

If you have questions concerning the enclosed, please advise.

Sincerely,

Robert L. Stovall
Robert G. Stovall

Landman

RGS:jfr

**Enclosures** 

#### MALLON OIL COMPANY

2850 Security Life Building, Denver, Colorado 80202 (303) 572-1511

. ....

April 29, 1986

State of New Mexico
Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

Attn: Mr. Frank Chavez

Re: Application for Administration
Approval of Unorthodox Location
for Dugan Production Corp.
Divide #3, 1780' FSL & 2120' FWL
Sec. 35, T26N, R2W, NMPM
Rio Arriba County, NM-Mancos Test

Dear Mr. Chavez:

Enclosed please find an executed copy of Mallon Oil Company's waiver for the unorthodox location for the above captioned well.

If you should have any questions, please advise.

Sincerely,

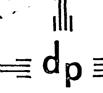
MALLON OIL COMPANY

Roxane I. Seney
Production Assistant

RIS:ef Enclosure

cc: Dugan Production Corp.

709 Bloomfield Road
P.O. Box 208
Farmington, NM 87499-0208



## dugan production corp.

March 11, 1986

Frank Chavez

New Mexico Oil Conservation Division

1000 Rio Brazos Rd.

Aztec, NM 87410

Re: Application for Administrative Approval of Unorthodox Location for Dugan Production Corp.

Divide #3, 1780' FSL & 2120' FWL, Sec. 35, T26N, R2W, NMPM

Rio Arriba County, NM - Mancos Test

Dear Mr. Chavez:

We hereby request approval of an unorthodox location for the subject well. Copies of the well location plat, topographic map, a map showing offsetting operators and a production map are attached for your reference.

The unorthodox location is necessary due to topographic conditions (steep sandstone bluffs with narrow dendritic drainage) and the existance of a Ciniza Oil pipeline.

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

We request your approval of this location under the provisions of NMOCD Rule 104-F.

Sincerely,

Sherman E. Dugan

Geologist

cc: El Paso Natural Gas Co.

Margaret Hill

Alinda Hunt Hill Trust

David Schaffnit

SIGN & RETURN

Bureau of Land Management Michael W. Murphy Mallon Oil

WAIVER

Mallon Oil Company unorthodox location. hereby waives objection to the above application for

4-29-86

Mikesh, Executive Vice-President



## dugan production corp.

Frank Chavez

New Mexico Oil Conservation

1000 Rio Brazos Rd.

Oil CONS

Aztec, NM 87410

Division OIL CONSERVATION DIVISION SANTA FE

PECEIVED

APR 1 1 1986

OIL CON. DIV.

Re: Application for Administrative Approval of

Unorthodox Location for Dugan Production Corp.

Divide #3, 1780' FSL & 2120' FWL, Sec. 35, T26N, R2W, NMPM

Rio Arriba County, NM - Mancos Test

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We request your approval of this location under the provisions of NMOCD Rule 104-F.

Sincerely,

Sherman E. Dugan Geologist SIGN & RETURN
THIS COPY

TO NMOCD

cg

cc: El Paso Natural Gas Co.

Margaret Hill

Alinda Hunt Hill Trust

David Schaffnit

Bureau of Land Management Michael W. Murphy

Mallon Oil

Amoco Production

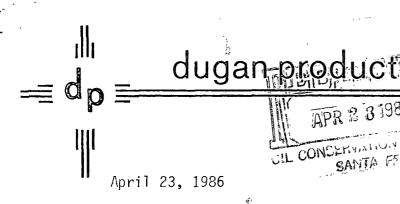
#### WAIVER

El Paso Natural Gas hereby waives objection to the above application for unorthodox location.

4-4-86

vate

ВУ



Mr. David R. Catanach
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

RE: Dugan Production Divide #3 Well Unorthodox Location Application Township 26 North, Range 2 West Section 35: NW/4 SW/4

Dear David:

Enclosed please find a letter which we received from A. G. Hill, Oil Producer, regarding the above.

As I read the letter, it does not appear to be an objection, but rather an unwillingness to grant a waiver in consent to the unorthodox location. Inasmuch as the statewide rules require that they give notice of objection, it is my opinion that this letter does not constitute an objection, and, therefore, the unorthodox location application could be granted administratively.

We had previously received an objection from Mallon Oil Company, but we have reviewed the matter with them and they will be withdrawing their objection to the unorthodox location.

If, after reviewing this information, you agree that the application may be granted administratively, we would appreciate receiving the approval in the very near future. We would also ask at that time that the case 8879, which we have requested be continued until the May 14 hearing, be dismissed upon your issuing the order.

I appreciate your attention to this.

Sincerely,

Robert G. Stovall

Landman

Enclosure

√cc: Jeff Taylor

#### A. G. HILL OIL PRODUCER THANKSGIVING TOWER DALLAS, TEXAS 75201

April 18, 1986

**Dugan Production Corporation** 709 Bloomfield Road Post Office Box 208 Farmington, New Mexico 87499-0208

Mr. Sherman E. Dugan, Geologist Attn:

RE: NM-04077, -04077A; AGH #18868-2

T25N - R2W, N.M.P.M.

SECTION 3: LOT 2, SW/4 NE/4,

NW/4 SE/4, SW/4 SE/4

RIO ARRIBA COUNTY, NEW MEXICO

Dear Mr. Dugan,

Concerning your letters of March 11, 1986, Margaret Hill and Alinda Hunt Hill Trust will be unable to grant a waiver of objection to your unorthodox location in the NW/4 SW/4 of Section 35, T26N-R2W.

We currently have a deal working with our captioned acreage that prevents us from satisfying your request at this time.

Very truly yours,

Philip Garner, Landman

PG/hl

Virgil St. Clair cc:

Gregg Ewing

Work file