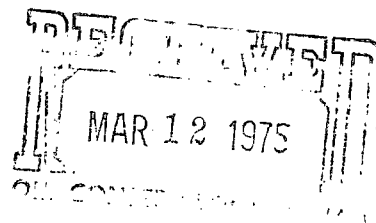


# dugan production corp.

March 10, 1975



*NSP — 992*

*104 D II*

Mr. A. L. Porter  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

*Blue Apr 11*

*120 acres*

*N 1/2 SW 1/4 & SE 1/4 SW 1/4*

Dear Mr. Porter:

Dugan Production Corporation is the owner of Navajo Tribal Lease No. 14-20-603-2015 which includes all of Sections 25, 26, 35, and 36 of T28N, R15W except the SW/4 SW/4 Section 25. The 40-acre tract mentioned above was segregated from this lease at some time in the past and is not now under lease. Since this is in the farming area of the Navajo Irrigation Project, the Tribe will not put this parcel up for lease.

We propose to drill a Pictured Cliffs test for gas in the SE/4 SW/4 of Section 25, T28N, R15W and dedicate the SW/4 except the SW/4 SW/4 to this drilling block. We are asking for administrative approval for a non-standard proration unit as exception to Rule 104, Section "C" Sub-section 2, Paragraph "B" under the provisions set out in Section "D" Sub-section 2 of the rule.

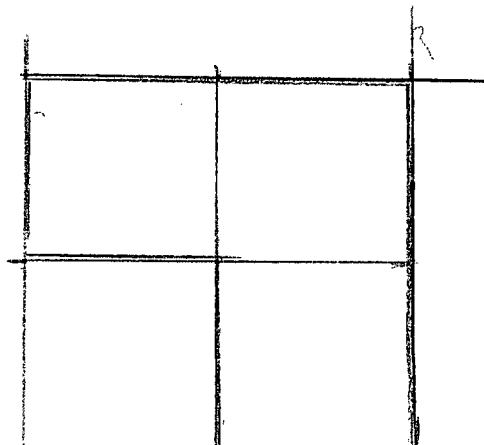
Very truly yours,

DUGAN PRODUCTION CORP.

*Jim L. Jacobs*  
Jim L. Jacobs

xc: Emery C. Arnold

*SW/4 Sec 25*



*to be dedicated  
to a Pictured Cliffs well to  
be located in the SE/4 SW/4  
of Sec 25,*

1-NMOCC (Aztec)  
1-NMOCC (Santa Fe) ✓  
1-NPC (Robert Glenn)  
1-File

OIL CONSERVATION COMMISSION

1000 RIO BRAZOS ROAD  
AZTEC, NEW MEXICO

58

NOTICE OF GAS CONNECTION

(K/)

DATE 5-8-75

This is to notify the Oil Conservation Commission that connection for  
the purchase of gas from the Dugan Production Corp., Pet. Inc. #9,  
Operator Lease  
N, 25-28N-15W, Ojo Pictured Cliffs, Dugan Production Corp.  
Well Unit S. T. R. Pool Name of Purchaser  
was made on 5-2-75.

Dugan Production Corp.  
Purchaser

J. A. Dugan  
Representative

President  
Title

cc: To operator  
Oil Conservation Commission - Santa Fe

7/9/75 ch

4-NMOCC 1-File

|                        |     |   |
|------------------------|-----|---|
| NO. OF COPIES RECEIVED |     | 1 |
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| SANTA FE               |     | 1 |
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| U.S.G.S.               |     |   |
| LAND OFFICE            |     |   |
| TRANSPORTER            | OIL |   |
|                        | GAS | 1 |
| OPERATOR               |     |   |
| PRORATION OFFICE       |     | 1 |

**NEW MEXICO OIL CONSERVATION COMMISSION  
REQUEST FOR ALLOWABLE  
AND  
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS**

Form C-104  
Supersedes Oil C-104 and C-110  
Effective 1-1-65

**I. Operator**

Operator Dugan Production Corp.

Address Box 234, Farmington, New Mexico 87401

Reason(s) for filing (Check proper box)

New Well ☒ Change in Transporter of: Oil ☐ Dry Gas ☐

Recompletion ☐ Casinghead Gas ☐ Condensate ☐

Change in Ownership ☐

Other (Please explain) \_\_\_\_\_

If change of ownership give name and address of previous owner \_\_\_\_\_

**II. DESCRIPTION OF WELL AND LEASE**

|                                |                        |  |  |                            |
|--------------------------------|------------------------|--|--|----------------------------|
| Lease Name<br><u>Pet. Inc.</u> | Well No.<br><u>9</u>   | Pool Name, including Formation<br><u>Ojo Pictured Cliffs</u> | Kind of Lease<br>State, Federal or Fee <u>Navajo</u> | Lease No.<br><u>14-20-</u> |
| Location<br><u>603-2015</u>    |                        |  |  |                            |
| Unit Letter<br><u>N</u>        | <u>1150</u>            | Feet From The <u>South</u> Line and <u>1850</u>              | Feet From The <u>West</u>                            |                            |
| Line of Section<br><u>25</u>   | Township<br><u>28N</u> | Range<br><u>15W</u>  | NMPM,<br><u>San Juan</u>                             | County                     |

**III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS**

|  |  |
|--|--|
| Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input type="checkbox"/>                    | Address (Give address to which approved copy of this form is to be sent) |
| Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input checked="" type="checkbox"/> | Address (Give address to which approved copy of this form is to be sent) |
| <u>Dugan Production Corp.</u>  | <u>Box 234, Farmington, New Mexico 87401</u>                             |
| If well produces oil or liquids, give location of tanks.   | Is gas actually connected? When  |

If this production is commingled with that from any other lease or pool, give commingling order number: \_\_\_\_\_

**IV. COMPLETION DATA**

|   |   |  |  |                                   |                                 |                                    |                                      |                                       |
|---|---|--|--|-----------------------------------|---------------------------------|------------------------------------|--------------------------------------|---------------------------------------|
| Designate Type of Completion - (X)                    | Oil Well <input type="checkbox"/>                     | Gas Well <input checked="" type="checkbox"/> | New Well <input checked="" type="checkbox"/> | Workover <input type="checkbox"/> | Deepen <input type="checkbox"/> | Plug Back <input type="checkbox"/> | Same Res'v. <input type="checkbox"/> | Diff. Res'v. <input type="checkbox"/> |
| Date Spudded<br><u>4-21-75</u>                        | Date Compl. Ready to Prod.<br><u>4-23-75</u>          | Total Depth<br><u>661'</u>                   | P.B.T.D. <u>----</u>                         |                                   |                                 |                                    |                                      |                                       |
| Elevations (DF, RKB, RT, GR, etc.)<br><u>5665' GR</u> | Name of Producing Formation<br><u>Pictured Cliffs</u> | Top Oil/Gas Pay<br><u>620'</u>               | Tubing Depth <u>----</u>                     |                                   |                                 |                                    |                                      |                                       |
| Perforations<br><u>620-661'</u>                       | Depth Casing Shoe <u>----</u>                         |  |  |                                   |                                 |                                    |                                      |                                       |
| <b>TUBING, CASING, AND CEMENTING RECORD</b>           |   |  |  |                                   |                                 |                                    |                                      |                                       |
| HOLE SIZE   | CASING & TUBING SIZE                                  | DEPTH SET                                    | SACKS CEMENT                                 |                                   |                                 |                                    |                                      |                                       |
| <u>7-7/8"</u>   | <u>5-1/2"</u>   | <u>20'</u>                                   | <u>5 SX</u>                                  |                                   |                                 |                                    |                                      |                                       |
| <u>4-3/4"</u>   | <u>2-7/8"</u>   | <u>657'</u>                                  | <u>10 SX</u>                                 |                                   |                                 |                                    |                                      |                                       |

**V. TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL**

(Test must be after recovery of total volume of load oil and must be equal to or greater than allowable for this depth or be for full 24 hours)

|                                 |                 |   |            |
|---------------------------------|-----------------|---|------------|
| Date First New Oil Run To Tanks | Date of Test    | Producing Method (Flow, pump, gas lift, etc.) |            |
| Length of Test                  | Tubing Pressure | Casing Pressure                               | Choke Size |
| Actual Prod. During Test        | Oil - Bbls.     | Water - Bbls.                                 | Gas - MCF  |

**GAS WELL**

|   |  |   |                                      |
|---|--|---|--------------------------------------|
| Actual Prod. Test-MCF/D<br><u>200 est</u>       | Length of Test<br><u>None</u>            | Bbls. Condensate/MMCF<br><u>----</u>      | Gravity of Condensate<br><u>----</u> |
| Testing Method (pilot, back pr.)<br><u>----</u> | Tubing Pressure (shut-in)<br><u>----</u> | Casing Pressure (shut-in)<br><u>92 SI</u> | Choke Size<br><u>----</u>            |

**VI. CERTIFICATE OF COMPLIANCE**

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Tom Dugan  
(Signature)  
Engineer  
(Title)  
4-29-75  
(Date)

**OIL CONSERVATION COMMISSION**

APPROVED

BY

TITLE

SUPERVISOR DIST. #3

This form is to be filed in compliance with RULE 1104.

If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 1111.

All sections of this form must be filled out completely for allowable on new and recompleted wells.

Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter or other such change of condition.

Separate Forms C-104 must be filed for each pool in multiply completed wells.



UNITED STATES DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

**SUBMIT IN DUPLICATE\***

(See other in-  
structions on  
reverse side)

Form approved.  
Budget Bureau No. 42-R355.5.

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

|   |  |  |  |  |  |  |                                    |  |  |
|---|--|--|--|--|--|--|------------------------------------|--|--|
| 1a. TYPE OF WELL:   |  | OIL WELL <input type="checkbox"/>                                    |  | GAS WELL <input checked="" type="checkbox"/> |  | DRY <input type="checkbox"/>                         |                                    | Other _____                                |  |
| b. TYPE OF COMPLETION:  |  |  |  |  |  |  |                                    |  |  |
| NEW WELL <input checked="" type="checkbox"/>  |  | WORK OVER <input type="checkbox"/>                                   |  | DEEP-EN <input type="checkbox"/>             |  | PLUG BACK <input type="checkbox"/>                   |                                    | DIFF. RESVR. <input type="checkbox"/>      |  |
| Other _____   |  | MAY 1 1975   |  |  |  |  |                                    |  |  |
| 2. NAME OF OPERATOR   |  |  |  |  |  |  |                                    |  |  |
| Dugan Production Corp.  |  |  |  |  |  |  |                                    |  |  |
| 3. ADDRESS OF OPERATOR  |  |  |  |  |  |  |                                    |  |  |
| Box 234, Farmington, New Mexico 87401   |  |  |  |  |  |  |                                    |  |  |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*                                      |  |  |  |  |  |  |                                    |  |  |
| At surface 1150' FSL -- 1850' FWL   |  |  |  |  |  |  |                                    |  |  |
| At top prod. interval reported below  |  |  |  |  |  |  |                                    |  |  |
| At total depth  |  |  |  |  |  |  |                                    |  |  |
| 14. PERMIT NO.  |  |  |  | DATE ISSUED                                  |  |  |                                    |  |  |
|   |  |  |  |  |  |  |                                    |  |  |
| 15. DATE SPUDDED  |  | 16. DATE T.D. REACHED  |  | 17. DATE COMPL. (Ready to prod.)             |  | 18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*              |                                    | 19. ELEV. CASINGHEAD                       |  |
| 4-21-75   |  | 4-22-75  |  | 4-23-75                                      |  | 5665' GR   |                                    |  |  |
| 20. TOTAL DEPTH, MD & TVD   |  | 21. PLUG, BACK T.D., MD & TVD  |  | 22. IF MULTIPLE COMPL., HOW MANY*            |  | 23. INTERVALS DRILLED BY                             |                                    | 23. ROTARY TOOLS CABLE TOOLS               |  |
| 661'  |  | -----  |  |  |  | Surface-661'   |                                    |  |  |
| 24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*   |  |  |  |  |  |  |                                    | 25. WAS DIRECTIONAL SURVEY MADE            |  |
| 620-661'  |  |  |  |  |  |  |                                    | No   |  |
| 26. TYPE ELECTRIC AND OTHER LOGS RUN  |  |  |  |  |  |  |                                    | 27. WAS WELL CORED                         |  |
| None  |  |  |  |  |  |  |                                    | No   |  |
| 28. CASING RECORD (Report all strings set in well)  |  |  |  |  |  |  |                                    |  |  |
| CASINO SIZE   |  | WEIGHT, LB./FT.  |  | DEPTH SET (MD)                               |  | HOLE SIZE  |                                    | AMOUNT PULLED                              |  |
| 5-1/2"  |  | 14#  |  | 20'  |  | 7-7/8"   |                                    | None                                       |  |
| 2-7/8"  |  | 5.9#   |  | 657' 661'                                    |  | 4-3/4"   |                                    | None                                       |  |
| 29. LINER RECORD  |  |  |  |  |  |  |                                    |  |  |
| SIZE  |  | TOP (MD)   |  | BOTTOM (MD)                                  |  | SACKS CEMENT*  |                                    | SCREEN (MD)                                |  |
|   |  |  |  | None   |  |  |                                    |  |  |
| 30. TUBING RECORD   |  |  |  |  |  |  |                                    |  |  |
| SIZE  |  | DEPTH SET (MD)   |  | PACKER SET (MD)                              |  |  |                                    |  |  |
|   |  | None   |  |  |  |  |                                    |  |  |
| 31. PERFORATION RECORD (Interval, size and number)  |  |  |  |  | 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC. |  |                                    |  |  |
| Perf 2-7/8" 620-661'  |  |  |  |  | DEPTH INTERVAL (MD)                            |  | AMOUNT AND KIND OF MATERIAL USED   |  |  |
|   |  |  |  |  | None   |  |                                    |  |  |
|   |  |  |  |  |  |  |                                    |  |  |
|   |  |  |  |  |  |  |                                    |  |  |
| 33. PRODUCTION  |  |  |  |  |  |  |                                    |  |  |
| DATE FIRST PRODUCTION   |  | PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump) |  |  |  |  | WELL STATUS (Producing or shut-in) |  |  |
| 4-25-75   |  | Flowing  |  |  |  |  | Producing                          |  |  |
| DATE OF TEST  |  | HOURS TESTED   |  | CHOKE SIZE                                   |  | PROD'N. FOR TEST PERIOD                              |                                    | OIL—BBL. GAS—MCF. WATER—BBL. GAS-OIL RATIO |  |
| None  |  |  |  |  |  |  |                                    |  |  |
| FLOW. TUBING PRESS.   |  | CASING PRESSURE  |  | CALCULATED 24-HOUR RATE                      |  | OIL—BBL. GAS—MCF. WATER—BBL. OIL GRAVITY-API (CORR.) |                                    |  |  |
|   |  | 92 SI  |  |  |  | 200 est  |                                    |  |  |
| 34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)  |  |  |  |  |  |  |                                    | TEST WITNESSED BY                          |  |
|   |  |  |  |  |  |  |                                    |  |  |
| 35. LIST OF ATTACHMENTS   |  |  |  |  |  |  |                                    |  |  |
|   |  |  |  |  |  |  |                                    |  |  |
| 36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records |  |  |  |  |  |  |                                    |  |  |
| SIGNED  |  | TITLE  |  |  |  | DATE   |                                    |  |  |
| Thomas A. Dugan   |  | Engineer   |  |  |  | 4-29-75  |                                    |  |  |

**\* (See Instructions and Spaces for Additional Data on Reverse Side)**

# INSTRUCTIONS

**General:** This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

**Item 4:** If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

**Item 18:** Indicate which elevation is used as reference. (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. **Items 22 and 24:** If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22; and in item 24 show the producing interval, or intervals, top(s) and bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

**Item 29: "Sacks Cement":** Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

**Item 33:** Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

| 37. SUMMARY OF POROUS ZONES:<br>SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING<br>DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES |     |        |                             | 38. GEOLOGIC MARKERS   |             |                  |
|---|-----|--------|-----------------------------|------------------------|-------------|------------------|
| FORMATION   | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. | NAME                   | MEAS. DEPTH | TRUE VERT. DEPTH |
|   |     |        |                             | Log Tops               |             |                  |
|   |     |        |                             | Top<br>Fruitland Coal  | 627'        |                  |
|   |     |        |                             | Base<br>Fruitland Coal | 642'        |                  |
|   |     |        |                             | Pictured Cliffs        | 652'        |                  |

Form 9-331  
(May 1965)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEYSUBMIT IN TRIPLICATE\*  
(Other instructions on reverse side)Form approved.  
Budget Bureau No. 42-R1424.

5. LEASE DESIGNATION AND SERIAL NO.

14-20-603-2015

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

Navajo Tribe

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Pet. Inc.

9. WELL NO.

9

10. FIELD AND POOL, OR WILDCAT

Undesignated - P.C.

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec. 25, T28N, R15W

12. COUNTY OR PARISH

San Juan

13. STATE

NM

1. OIL WELL ☐ GAS WELL ☒ OTHER

2. NAME OF OPERATOR

Dugan Production Corp.

3. ADDRESS OF OPERATOR

Box 234, Farmington, New Mexico 87401

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.)

At surface

1150' FSL -- 1850' FWL

14. PERMIT NO.

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

5665' GR

16.

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF

FRACTURE TREAT

SHOOT OR ACIDIZE

REPAIR WELL

(Other)

PULL OR ALTER CASING

MULTIPLE COMPLETE

ABANDON\*

CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF

FRACTURE TREATMENT

SHOOTING OR ACIDIZING

(Other)

REPAIRING WELL

ALTERING CASING

ABANDONMENT\*

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS\* (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

4-21-75

Moved in Morrow Drilling Company rig and drilled 7-7/8" surface hole to 20' and ran one jt 5-1/2" csg. TE 20' set at 20' GR cemented with 5 sx to surface. WOC.

4-23-75

TD 661'. Finished running 26 jts 2-7/8" OD 5.9# 10V line pipe for csg. TE 662.92' set at 657' GR with top of OH packer at 618' GR cemented with 10 sx. Installed 2-1/2" plug valve for master valve. Job complete 2:00 PM, 4-22-75.

MAY 1 1975

18. I hereby certify that the foregoing is true and correct

SIGNED

Thomas A. Dugan

TITLE

Engineer

DATE

4-29-75

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions on Reverse Side

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
GEOLOGICAL SURVEY

30-045-21740

## APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

## 1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

## b. TYPE OF WELL

OIL  
WELL ☐GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☐MULTIPLE  
ZONE ☐

## 2. NAME OF OPERATOR

Dugan Production Corp.

## 3. ADDRESS OF OPERATOR

Box 234, Farmington, New Mexico 87401

## 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)

At surface

1150' FSL — 1850' FWL

At proposed prod. zone

## 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

Nine miles south Fruitland, New Mexico

## 15. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drig. unit line, if any)

1150'

18. DISTANCE FROM PROPOSED LOCATION\*  
TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT.

2000' approx

## 16. NO. OF ACRES IN LEASE

2480

## 19. PROPOSED DEPTH

645'

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

120

## 20. ROTARY OR CABLE TOOLS

Rotary

## 21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5665' GR

## 22. APPROX. DATE WORK WILL START\*

4-1-75

## 23.

## PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | QUANTITY OF CEMENT |
|--------------|----------------|-----------------|---------------|--------------------|
| 7-7/8"       | 5-1/2"         | 14#             | 20'           | 5 sx               |
| 4-3/4"       | 2-7/8"         | 5.9#            | 645'          | 20 sx              |

Drill well with air using slim hole technique to test Pictured Cliffs formation. If productive, run 2-7/8" tubing for casing through formation, cement above formation packer shoe, clean out, run 1" tubing, and complete well.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

## 24.

SIGNED Original signed by T. A. Dugan

Thomas A. Dugan

TITLE Petroleum Engineer

DATE 3-18-75

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

Wed 2-104 for N50

\*See Instructions On Reverse Side

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102  
Supersedes C-128  
Effective 1-1-65

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

|  |   |                             |                                    |  |                      |
|--|---|-----------------------------|------------------------------------|--|----------------------|
| Operator<br><b>Dugan Production Corporation</b>  |   |                             | Lease<br><b>Pet. Inc.</b>          |  | Well No.<br><b>9</b> |
| Unit Letter<br><b>N</b>  | Section<br><b>25</b>                          | Township<br><b>28 North</b> | Range<br><b>15 West</b>            | County<br><b>San Juan</b>              |                      |
| Actual Footage Location of Well:<br><b>1150</b> feet from the <b>South</b> line and <b>1850</b> feet from the <b>West</b> line |   |                             |                                    |  |                      |
| Ground Level Elev.<br><b>5665</b>  | Producing Formation<br><b>Pictured Cliffs</b> |                             | Pool<br><b>Undesignated - P.C.</b> | Dedicated Acreage:<br><b>120</b> 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.) \_\_\_\_\_

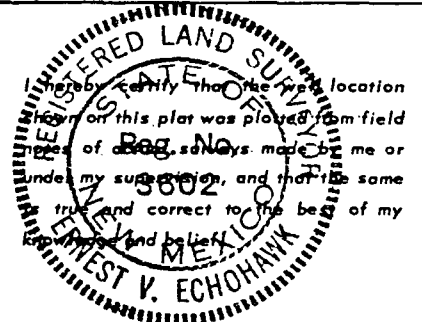
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

**CERTIFICATION**

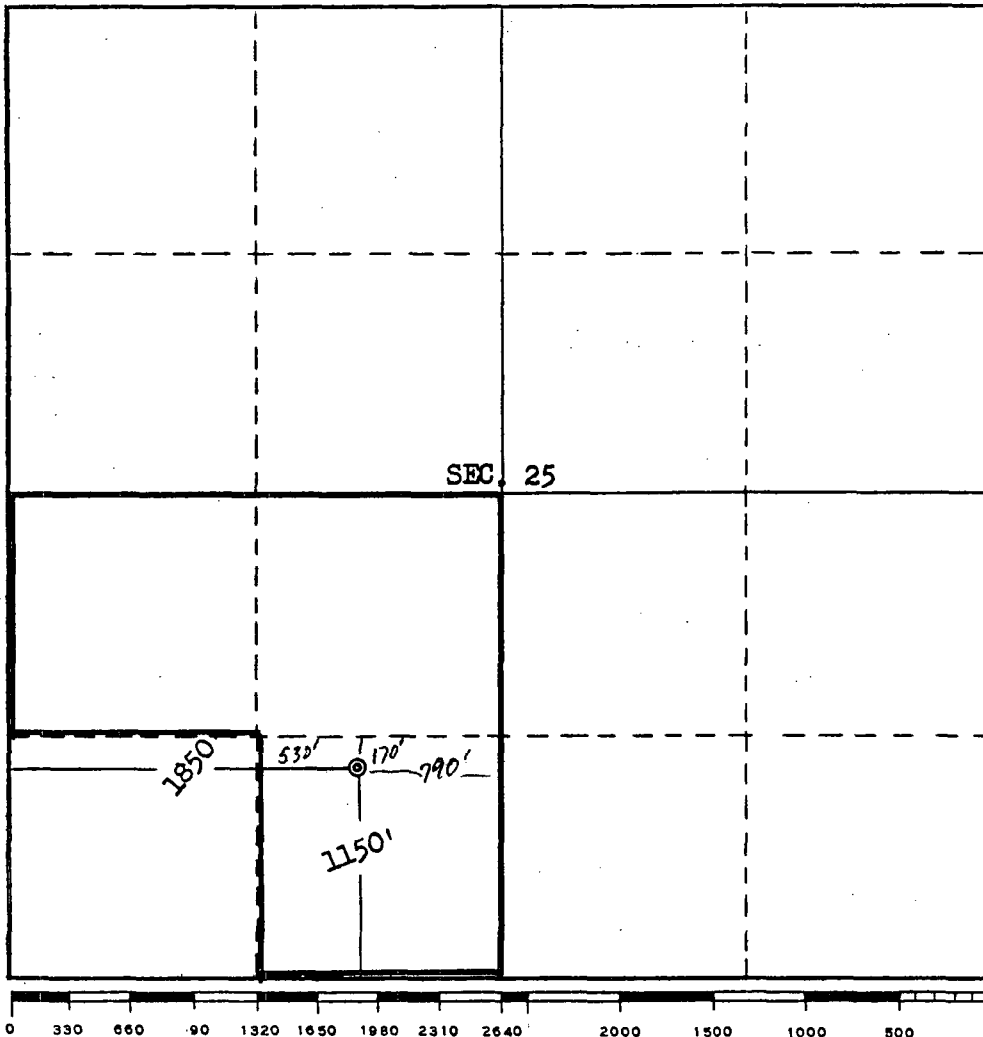
*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.*

Original signed by **T. A. Dugan**

|  |
|--|
| Name<br><b>Thomas A. Dugan</b>           |
| Position<br><b>Petroleum Engineer</b>    |
| Company<br><b>Dugan Production Corp.</b> |
| Date<br><b>3-18-75</b>                   |



|  |
|--|
| Date Surveyed<br><b>March 12, 1975</b>   |
| Registered Professional Engineer and/or Land Surveyor<br><i>E. V. Echohawk</i> |
| Certificate No. <b>3602</b><br><b>E.V. Echohawk LS</b>                         |





**OIL CONSERVATION COMMISSION**

P. O. BOX 2088

SANTA FE NEW MEXICO 87501

April 11, 1973

**Dugan Production Corporation  
P. O. Box 234  
Farmington, New Mexico 87401**

**Attention: Jim L. Jacobs**

**Administrative Order NSP-992**

**Gentlemen:**

Reference is made to your application for a 120-acre non-standard gas proration unit consisting of the following described acreage in the Ojo Pictured Cliffs Pool:

**SAN JUAN COUNTY, NEW MEXICO  
TOWNSHIP 28 NORTH, RANGE 13 WEST, NMPN  
Section 25: N/2 SW/4 & SE/4 SW/4**

It is understood that this proration unit is to be dedicated to a well located in the SE/4 SW/4 of said Section 25.

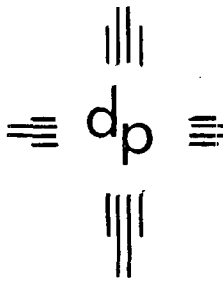
By authority granted me under the provisions of Rule 104 D II, you are hereby authorized to operate the above-described acreage as a non-standard gas proration unit.

**Very truly yours,**

**A. L. PORTER, Jr.  
Secretary-Director**

**ALP/JEL/jr**

**cc: Oil Conservation Commission - Astec  
Oil & Gas Engineering Committee - Hobbs**



# dugan production corp.

March 10, 1975

Mr. A. L. Porter  
Secretary-Director  
New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

*NSP — 992*

*104 D II*

*Blue Apr 11*

*120 acres*

*N 1/2 SW 1/4 & SE 1/4 SW 1/4*

Dear Mr. Porter:

Dugan Production Corporation is the owner of Navajo Tribal Lease No. 14-20-603-2015 which includes all of Sections 25, 26, 35, and 36 of T28N, R15W except the SW/4 SW/4 Section 25. The 40-acre tract mentioned above was segregated from this lease at some time in the past and is not now under lease. Since this is in the farming area of the Navajo Irrigation Project, the Tribe will not put this parcel up for lease.

We propose to drill a Pictured Cliffs test for gas in the SE/4 SW/4 of Section 25, T28N, R15W and dedicate the SW/4 except the SW/4 SW/4 to this drilling block. We are asking for administrative approval for a non-standard proration unit as exception to Rule 104, Section "C" Sub-section 2, Paragraph "B" under the provisions set out in Section "D" Sub-section 2 of the rule.

Very truly yours,

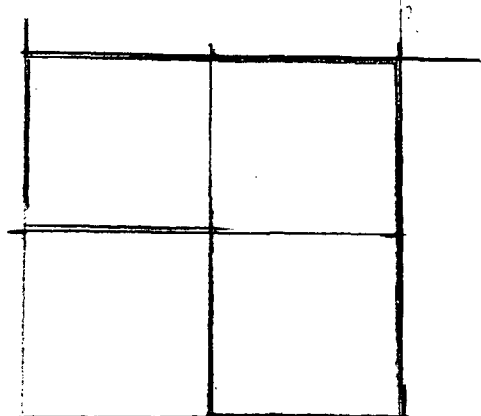
DUGAN PRODUCTION CORP.

*Jim L. Jacobs*  
Jim L. Jacobs

xc: Emery C. Arnold

*to be dedicated  
to a Pictured Cliffs well to  
be located in the SE 1/4 SW 1/4  
of Sec 25,*

*SW 1/4 Sec 25*



BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF NEW MEXICO FOR  
THE PURPOSE OF CONSIDERING:

CASE NO. 5693  
Order No. R-5359

APPLICATION OF JEROME P. McHUGH  
FOR DOWNHOLE COMMINGLING,  
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 9, 1976,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of January, 1977, the Commission,  
a quorum being present, having considered the testimony, the  
record, and the recommendations of the Examiner, and being  
fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by  
law, the Commission has jurisdiction of this cause and the  
subject matter thereof.

(2) That the applicant, Jerome P. McHugh, seeks an order  
authorizing the downhole commingling of Fruitland and Pictured  
Cliffs production in the well-bores of wells drilled anywhere  
within Townships 24 North through 28 North, Ranges 24 West  
through 28 West, NMPM, San Juan County, New Mexico, except that  
said commingling authority would not apply to lands included  
within the horizontal boundaries, as defined by the Commission,  
of that portion of the Ballard-Pictured Cliffs Pool, the Fulcher-  
Kutz Pictured Cliffs Pool or the West Kutz-Pictured Cliffs Pool  
lying within the above described townships and ranges, nor to  
lands not within the horizontal boundaries of said pools but  
within the horizontal boundaries of the Gallegos Canyon Unit  
Area.

(3) That in portions of the area sought by applicant to  
be authorized for downhole commingling of Fruitland and Pictured  
Cliffs production, there appear to be marginal reserves of

hydrocarbon gas present in said formations; and that development of said reserves by production through single completions or even by dual completions in said formations is uneconomic.

(4) That in portions of the area sought by applicant to be authorized for downhole commingling of Fruitland and Pictured Cliffs production, reservoir pressures in said formations appear to be virtually equal, and differential pressures between the formations of negligible magnitude.

(5) That in the aforesaid areas of marginal reserves and virtually equal pressures, the downhole commingling of Fruitland and Pictured Cliffs production should result in the recovery of otherwise unrecoverable reserves of natural gas, and should be permitted through administrative approval by the Secretary-Director of the Commission upon a showing that a well is of low marginal productive capacity from both the Fruitland and Pictured Cliffs formations and that there is no substantial difference in the reservoir pressures of the two formations.

(6) That of the lands sought by applicant for approval for downhole commingling of the Fruitland and Pictured Cliffs formations, it appears that the following described lands in San Juan County, New Mexico, meet the prerequisite conditions outlined in Findings Nos. (3) through (5) above, and should be authorized for administrative approval of such commingling:

TOWNSHIP 24 NORTH, RANGE 9 WEST, NMPM

Sections 1 through 5: All  
Sections 10 through 14: All  
Section 24: All

TOWNSHIP 25 NORTH, RANGE 9 WEST, NMPM

Sections 2 through 36: All

TOWNSHIP 25 NORTH, RANGE 10 WEST, NMPM

Sections 1 through 18: All  
Sections 20 through 27: All  
Section 36: All

TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPM

Sections 1 through 6: All  
Section 7: N/2  
Sections 8 through 13: All  
Section 14: N/2  
Section 15: N/2

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM

Sections 1 and 2: All

Section 3: N/2

Section 4: N/2

Section 12: N/2

TOWNSHIP 26 NORTH, RANGE 9 WEST, NMPM

Section 19: All

Section 28: SW/4

Section 29: S/2

Sections 30 through 33: All

TOWNSHIP 26 NORTH, RANGE 10 WEST, NMPM

Sections 19 through 36: All

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM

Sections 5 through 8: All

Sections 13 through 36: All

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Sections 1 through 30: All

Section 31: N/2

Sections 32 through 36: All

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM

Sections 1 through 17: All

Section 18: N/2

Section 21: N/2

Sections 22 through 25: All

Section 26: N/2

TOWNSHIP 26 NORTH, RANGE 14 WEST, NMPM

Sections 1 through 3: All

Sections 11 and 12: All

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM

Section 31: W/2

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM

Section 17: S/2

Sections 18 through 21: All

Section 22: W/2

Section 25: W/2

Sections 26 through 36: All

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM

Sections 4 through 11: All

Sections 13 through 36: All

TOWNSHIP 27 NORTH, RANGE 14 WEST, NMPPM  
Sections 1 through 29: All  
Sections 33 through 36: All

TOWNSHIP 27 NORTH, RANGE 15 WEST, NMPPM  
Sections 1 through 3: All  
Sections 11 through 13: All

TOWNSHIP 28 NORTH, RANGE 13 WEST, NMPPM  
Partial Sections 7 and 8: All  
Sections 17 through 20: All  
Section 28: S/2  
Sections 29 through 33: All

TOWNSHIP 28 NORTH, RANGE 14 WEST, NMPPM  
Partial Sections 7 through 12: All  
Sections 13 through 36: All

TOWNSHIP 28 NORTH, RANGE 15 WEST, NMPPM  
Partial Sections 7 through 12: All  
Sections 13 through 29: All  
Sections 33 through 36: All

(7) That adoption of an administrative procedure for the approval of downhole commingling of Fruitland and Pictured Cliffs production in the above described area under the conditions outlined in Findings Nos. (3) through (5) above, should result in the recovery of otherwise unrecoverable hydrocarbons thereby preventing waste, will not impair correlative rights, and should be approved.

IT IS THEREFORE ORDERED:

(1) That the Secretary-Director of the Commission is hereby authorized to approve commingling of Fruitland and Pictured Cliffs production in the wellbore of any well drilled in the following described area in San Juan County, New Mexico:

TOWNSHIP 24 NORTH, RANGE 9 WEST, NMPPM  
Sections 1 through 5: All  
Sections 10 through 14: All  
Section 24: All

TOWNSHIP 25 NORTH, RANGE 9 WEST, NMPPM  
Sections 2 through 36: All

TOWNSHIP 25 NORTH, RANGE 10 WEST, NMPPM  
Sections 1 through 18: All  
Sections 20 through 27: All  
Section 36: All

TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPM

Sections 1 through 6: All  
Section 7: N/2  
Sections 8 through 13: All  
Section 14: N/2  
Section 15: N/2

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM

Sections 1 and 2: All  
Section 3: N/2  
Section 4: N/2  
Section 12: N/2

TOWNSHIP 26 NORTH, RANGE 9 WEST, NMPM

Section 19: All  
Section 28: SW/4  
Section 29: S/2  
Sections 30 through 33: All

TOWNSHIP 26 NORTH, RANGE 10 WEST, NMPM

Sections 19 through 36: All

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM

Sections 5 through 8: All  
Section 13 through 36: All

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Sections 1 through 30: All  
Section 31: N/2  
Sections 32 through 36: All

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM

Sections 1 through 17: All  
Section 18: N/2  
Section 21: N/2  
Sections 22 through 25: All  
Section 26: N/2

TOWNSHIP 26 NORTH, RANGE 14 WEST, NMPM

Sections 1 through 3: All  
Sections 11 and 12: All

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM

Section 31: W/2

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM

Section 17: S/2  
Sections 18 through 21: All  
Section 22: W/2  
Section 25: W/2  
Sections 26 through 36: All

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM

Sections 4 through 11: All  
Sections 13 through 36: All

TOWNSHIP 27 NORTH, RANGE 14 WEST, NMPM

Sections 1 through 29: All  
Sections 33 through 36: All

TOWNSHIP 27 NORTH, RANGE 15 WEST, NMPM

Sections 1 through 3: All  
Sections 11 through 13: All

TOWNSHIP 28 NORTH, RANGE 13 WEST, NMPM

Partial Sections 7 and 8: All  
Sections 17 through 20: All  
Section 28: S/2  
Sections 29 through 33: All

TOWNSHIP 28 NORTH, RANGE 14 WEST, NMPM

Partial Sections 7 through 12: All  
Sections 13 through 36: All

TOWNSHIP 28 NORTH, RANGE 15 WEST, NMPM

Partial Sections 7 through 12: All  
Sections 13 through 29: All  
Sections 33 through 36: All

(2) That to obtain approval for the downhole commingling of Fruitland and Pictured Cliffs production in the wellbore of any well completed in the aforescribed area, the operator of said well shall file one copy of the request for such approval with the Secretary-Director of the Commission and one copy with the Supervisor of the Commission District Office at Aztec. Such request shall contain evidence as to the productivity or expected productivity of each of the aforesaid formations proposed to be commingled, as well as reservoir pressures encountered or expected to be encountered. In addition, data shall be submitted which will enable the Secretary-Director to prescribe an allocation formula for allocating production to each of the formations to be commingled.



(3) The Secretary-Director of the Commission shall have authority to rescind downhole commingling authority granted for any well prior to its completion if data available upon completion of the well indicates greater than marginal production from either or both of the commingled formations or a pressure differential between the commingled formations which might cause waste.

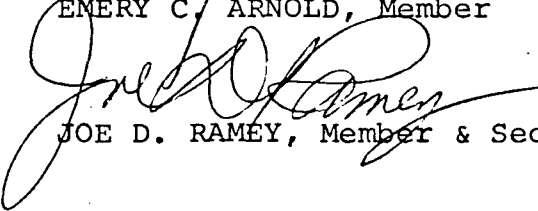
(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

  
EMERY C. ARNOLD, Member

  
JOE D. RAMEY, Member & Secretary

S E A L

dr/