196 APR 22 AM 8 52

April 17, 1996

Mr. Michael E. Stogner New Mexico Oil Conservation Division 2040 South Pacheco St. Santa Fe, NM 87505

Re: Application for Administrative Approval of an 80-acre Non-Standard Proration Unit for Dugan Production Corp's April Surprise #7 1050' FNL & 1520' FEL (NW/4 NE/4) Spacing Unit W/2 NE/4 Section 31, T24N, R9W Bisti Lower Gallup Pool San Juan County, New Mexico

Dear Mr. Stogner:

As provided for in Rule No. 4 of the special pool rules for the Bisti Lower Gallup Pool, Dugan Production Corp. hereby requests your administrative approval for an 80-acre non-standard proration unit (W/2 NE/4 Sec. 31, T24N, R9W) for the referenced well.

The non-standard proration unit is necessary to recomplete this pre-existing Dakota test in the Bisti Lower Gallup pool.

By certified mail, return receipt requested, all operators within 2,640 feet of our proposed recompletion have been notified of this application. A copy of the offset operator notice and a list of operators notified are enclosed. After receiving the "return receipts", we will provide you with a copy for your records.

Sincerely,

Jim L. Jacobs Vice-President

KF/cg

attachs.

cc: Mr. Ernie Busch, NMOCD - Aztec, NM BLM - Farmington, NM



dugan production corp.

April 17, 1996

Via Certified Mail - Return Receipt Requested

P

TO: OPERATORS WITHIN & MILE OF DUGAN PRODUCTION CORP'S

APRIL SURPRISE #7 RECOMPLETION

Re: Application for Administrative Approval of an 80-acre Non-Standard Proration Unit for Dugan Production Corp's

April Surprise #7

1050' FNL & 1520' FEL (NW/4 NE/4)

Spacing Unit W/2 NE/4 Section 31, T24N, R9W

Bisti Lower Gallup Pool San Juan County, New Mexico

Operators:

Dugan Production Corp. is applying for administrative approval for an 80-acre non-standard proration unit (W/2 NE/4 Sec. 31, T24N, R9W) for the referenced well to be recompleted in the Bisti Lower Gallup Pool.

We have enclosed copies of our application (BLM 3160-5), well location plat (NMOCD C-102), a production map showing offsetting operators and a list of operators notified.

Any operator within } mile of our proposed recompletion that objects to administrative approval for an 80-acre non-standard proration unit should notify the Director of the NMOCD and Dugan Production Corp. within 20 days of our application date.

The non-standard proration unit is necessary to recomplete this pre-existing Dakota test in the Bisti Lower Gallup pool.

Sincerely

Jim L. Dacobs Vice-President

KF/cq

attachs.

Form 3160-5 (June 1990)	PORM APPROVED Budget Bureau No. 1004-0135 Expires: March 31, 1993		
	BUREAU OI	LAND MANAGEMENT	5. Lease Designation and Serial No. NM 4958
Do not use thi	is form for proposals to d	AND REPORTS ON WELLS rill or to deepen or reentry to a different reservoir. PR PERMIT—" for such proposals	6. If Indian, Allottee or Tribe Name
	7. If Unit or CA, Agreement Designation		
1. Type of Well Oil X V	8. Well Name and No.		
2. Name of Operator			April Surprise #7
Dugan I	Production Corp.		9. API Well No.
•	ox 420, Farmington,	NM 87499 (505) 325-1821	30 045 29293 10. Field and Pool, or Exploratory Area
	Cootage, Sec., T., R., M., or Survey E		Basin Dakota
•	•	•	11. County or Parish, State
1050' FNL Unit B, Se	San Juan, NM		
12. CHEC	CK APPROPRIATE BOX	s) TO INDICATE NATURE OF NOTICE, REPOR	T, OR OTHER DATA
TYPE	OF SUBMISSION	TYPE OF ACTION	
X Not	tice of Intent	Abandoomeat	Change of Plans
П	sequent Report	A Recompletion Description Recompletion	New Construction Non-Routine Fracturing
LLJ 300	ecquest report	Casing Repair	Water Shut-Off
☐ Fina	al Abandonment Notice	Altering Casing	Conversion to Injection
		LJ Other	Dispose Water (Note: Report results of multiple completion on Well
13 5 5	0 1.10 : (0.1.1.1)	pertinent details, and give pertinent dates, including estimated date of starting	Completion or Recompletion Report and Log form.)
give subsurface 4/3/9 It is setti and o perfo Obtai	TIH & clean 48' and 596 750 gallons intended to per aga cast iron leapping with 50 orated and fractioned verbal approximation according to the company of th	out casing to 6007'. Perforated 4-70' with 1 JSPF. Acidized periods 15% HCL. Swab tested formation manently plug back to the Gallup oridge plug at the top of the Davided to evaluate the potential. The Gallup will be used to evaluate the potential. Eval from Steve Mason to do this reage dedicated to the Bisti Lower	d Dakota 5943- forations with on. o formation by akota at 5770' e selectively s work. er Gallup Pool
being	filed with the	oplication for non-standard prop NMOCD.	ation unit is
1 \	the following in tripe and correct	Operations Manager	4/12/96 Date
	rat or State office use)		

Tide 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

District I PO Box 1928, Hobbs, NM 88241-1988 District II PO Drawer DD, Artesia, NM 88211-0719 District III 1908 Rio Brazos Rd., Aztec, NM 87418 District IV

PO Bez 2088, Santa Fe, NM 87504-2088

API Number

State of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088 Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

Pool Name

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Pool Code

30 045 2	29293		- '	05890	B	isti Lower Ga	allup			
* Property Code					⁵ Property	Name			•	Well Number
			-11 Surpr	ise					7	
'OGRID (Ne.	0	na Deadi	etion for	*Operation	r Name		Į.	coact	Élevation
000313		Dug	an Produ			I manting		1	6830.	Estimated
	·		1		¹⁰ Surface			T 2		
VL or lot so. B	Section	Township	Range	Lot Ida	Feet from the	North/South fine	Feet from the 1520	East/West East		County San Juan
	31	24N	9₩			North If Different Fro	<u> </u>	2030		3811 30811
III on his wa		T=			Feet from the	North/South Line		East/West		1 6
Vil or let pe.	Section	Township	Range	Let ids	rectirom the	TOPERSON	Feet from the	EASUWER	Rac	County
Dedicated Acr	es to folet	or Infill "	Censolidatio	a Cade If C	order No.	<u> </u>	<u> </u>	l		<u> </u>
80			002.020-00							
	VABLE '	WILL BE	ASSIGNE	D TO TH	S COMPLETI	ON UNTIL ALL	INTERESTS I	AVE BEE	N CO	SOLIDATED
						EEN APPROVED			•	
					2		¹⁷ OPE	RATOR	CERT	TIFICATION
				NM 49	n Prod		I hereby cert	ify that the inf	formation	contained herein is
				1411 -1.	1050'		irse and com	plete to the b	est of my	browledge and beliq
							ı			
					@ -	1520'	$-$ 1 \cap		Λ	
	1			1				2 1	- \}	· · · · ·
***************************************							Steudure		\rightarrow	
				i i			Jim I	Jacob	08/	·
					`	•	Printed Nam			
							Vice-	Preside	ent	
						!	4/12/	′ 96		
			Section	ກ 31			Date			
				†		.1	18SURV	EYOR	CERT	IFICATION
							I hereby cert			shown on this plat
	1									l surveye made by m ie same is true and
				ļ			correct to the	best of my be	dief.	,
				1			^	ugust 22	, 1995	
	•						Date of Surv	4 200 metalli	11111111111111111111111111111111111111	1111/1/11
							Signature and	d Scal of the	MEA	NEA SULL
										6 K
									(597	9))" 🖥
									g	
						• •	Edge	u Tif	FONAL	MARKET
		1					Certificate	TURBEL "/	7/2	Illini.

Operators of Lease Hold Interest
Within 2,640' Radius of
Dugan Production Corp's
Proposed April Surprise #7 Recompletion
Unit B, Section 31, T24N, R9W, NMPM
(Tract Description on Figure No. 1)

Farmington, NM 87499

Tract 1	Federal Lease NM-4958 Dugan Production Corp. P.O. Box 420 Farmington, NM 87499
Tract 2	Federal Lease NM-10755 Dugan Production Corp. P.O. Box 420

Tract 3

Federal Lease NM-24661

Dugan Production Corp.

P.O. Box 420

Farmington, NM 87499

Tract 4

State Lease E-4912-20
Amoco Production Co.
P.O. Box 800
Denver, CO 80201

Tract 5

State Lease E-6633-2

W.R. Speer

P.O. Box 255

Farmington, NM 87499

Tract 6

Federal Lease NM-4958

Dugan Production Corp.

P.O. Box 420

Farmington, NM 87499

Tract 7 Federal Lease NM 91522
Redwolf Production Inc.
902 San Juan Blvd.
Farmington, NM 87401

Tract 8

Federal Lease NM-51000

Dugan Production Corp.

P.O. Box 420

Farmington, NM 87499

Dugan Prod Supron Energy 18 Fire cen 17	_	K-IO-W	W-2-W			
Denson Months Creer 23 24 25 25 25 26 27 28 29 20 20 20 20 20 20 20 20 20	Dugan Prod.	Supron Energy 47	Dugan	So knien Rolack	Kaiser · Francis	Ţ
Dugan 26 Strates Dugan 27 Dugan 28 Strates Dugan 29 Dugan 20 Strates Dugan 20 Strates Dugan 20 Strates Dugan 20 Strates St	+	•1	'C		\$	Ì
Dugan 26 Smith Fed Cune day Douglan Tage 28 23 Smith Fed Cune day Douglan Tage 28 24 Dugan 26 Str Abrilla Strates Tage 28 25 Tage 29 26 August Tage 20 28 Tage 20 29 20 Marry May May May May May May May May May Ma	•.		' ' "	127 1256		ĺ
Denson Month Greer 23 24 Dugan 24 Dugan 25 26 27 28 28 29 20 20 20 20 20 20 20 20 20	14	F-15-24-10	10 5 10 70 70	1 ——	Style	
Dugan 26 St Morits Dugan 27 Dugan 28 St Morits The Related St Morits	' .	Dugan Prod	I 1			
Dugan 26 St Morits Dugan 27 Dugan 28 St Morits The Related St Morits	• •		X		; F	
Denson Month Greer 23 24 Dugan 24 Dugan 20 Mervey Mady Mode 21 Ton Cor Mervy Mey April Surprise 25 26 27 28 29 20 20 Movember 24 Dugan Bugan Dugan Dugan Dugan Dugan Dugan Bugan Dugan Dugan Dugan Dugan Dugan Dugan Bugan Dugan Dugan Dugan Bugan Dugan Dugan Bugan Dugan Bugan Dugan Bugan Dugan Bugan Dugan Bugan Bug		— ბან	ľ		,	•
23 2 20 20 20 20 20 20 20 20 20 20 20 20 2		MF		Whillow Benwerd		
23 20 Dugan 19 20 Alervey Moudy Modes 21 Tom Corr Merry May April Surprise November 24 Dugan 26 25 30 18 2 28 Sharits 20 Dugan The Surprise The Surpris	Benson Montin Green	uz is	Dugan 3		Ougan Ciult	
23 20 Dugan 19 20 Alervey Moudy Modes 21 Tom Corr Merry May April Surprise November 24 Dugan 26 25 30 18 2 28 Sharits 20 Dugan The Surprise The Surpris		₩.	• •	P Z	♦	
23 24 Dugan 20 Abervey Mark Mark 21 For Core Merry May April Surprise Dugan 20 Abervey Mark Index 21 April Surprise Dugan The April Surprise The April Surprise The The The The The The The T		ent		ች	G	
Ton Care Merry Mey Jugan Lugan String String Dugan TR Salata Dugan Balata Balat		2 4 Dugan	19	I .	Musty stode 21	1
Ton Cor Merry May Asril Surprise Xirby Exp. Dugan TR TR Reirs ASH State TA TR TR Reirs ASH State TA TR TR Reirs ASH State TA TR TR TR TR TR TR TR TR TR			A 1.			
Dugan 26 St Morits Dugan 29 Dugan 20 Dugan 30		7 -6.0	₀ ● μ ❤	1		
Dugan 26 St Morits Dugan 29 Dugan 20 Dugan 30		_	,			
Dugan 26 Strictits S	Ton Corr	Merry May	AFril Surprise	Ouests	Kine bato Fed	
Dugan 26 Strictits Strictits Dugan TR TR Dugan TR TR TR TR TR TR TR TR TR T	Kirby Exp.	₩ 6 6 3 3 3 3 3 3 3 3 3 3	l i		, , , , , , , , , , , , , , , , , , ,	
Dugan 26 St Horits 25 25 25 25 25 25 25 25 25 2		7 7 4 6.0	7K			
Dugan Dugan Dugan Dugan Dugan TR TR TR TR TR TR TR TR TR T		•	July Jubille	duludubille		
Dugan Dugan Dugan Dugan Dugan TR TR TR TR TR TR TR TR TR T	Dugan 26	25	3'0-1TR	29	28	
Dugan Dugan Dugan Dugan Dugan TR TR Dugan TR TR TR TR TR TR TR TR TR T	St Morits		₩° 2	1 34 3	• •	
Dugan Dugan Dugan Dugan Dugan Dugan Dugan Dugan April Reliant AGN States TR TR TR TR TR TR TR Reliant AGN States TR TR TR TR TR TR TR TR Reliant AGN States TR TR TR TR TR TR TR TR TR T	-b'.			TR		
Dugan Dugan Dugan TR TR TR TR TR TR TR TR TR T	1 🗥	· · · · · · · · · · · · · · · · · · ·	Porti / Surprise	* 3	November 24	
35 360***Ader Substitution Scriptise TR TR TR TR TR TR TR TR TR T			Dugan Prod.	Dugan		İ
35 360stodertes Substitute April TR TR TR TR TR TR TR TR TR T		, d	7	TR	24 30,000	
35 360khober & Souther Seris Superise The The The Restre AGN State April Superise The The Restre AGN State The Restrict AGN	, ·					ĺ
August As. B. State TR TR TR Ristra AGW State So Huerigno N To a second a se			1"8 \ [Anril	 _		
August 35	3604/oberfeet	APPRING TO TOTAL		33	1 +	
Augusi S. B. State Ristra AGW State So Huertono N T 23 N Dugan A A A A A A A A A A A A A A A A A A A	•	•		TA 4	. :	
August 2 Dugan Dugan Dugan Age Dugan	1 6	'_		0.1 40,04.1		
Dugan a Dugan O a a a a a a a a a a a a a a a a a a		95.8.31ate	- 6	March On	So Huerlano	N
Dugan B Dec Dreagn AprilSayrise B 9.	• /	•				
Dugan a Dugan The state of the						Т
Dugan a Dugan The state of the	,					23
Dugan Contract	1	ا د	E			
Jugan G Dugan Prod G Dugan S S Dugan S S Dugan S S Dugan S S S Dugan S S S Dugan S S S S S S S S S S S S S S S S S S S	Dugan 2	Dugan	٥	. 3	1	
Dugan a Dugan Prod G Dugan Prod G G G Dugan Prod G G G Dugan Prod G G G Dugan Prod G G G D G D G G D G G D G G D G G D G G D G G D G G D G G D G G D G G D G D G G D G G D G G D G G D G G D G G D G G D G G D G G D G G D G D G G D G G D G G D G G D G G D G G D G G D G G D G G D G G D G D G G D G G D G G D G G D G G D G G D G G D G G D G G D G G D G D G G D	3					
Dugan G Dugan Prod G Dugan G B 9	1 0 5 C	•				
Dec Dream G G G Dugan Prod G G G G G G G G G G G G G G G G G G G	Wits End	.t.airwoy				
Dec Dream G G Dugon Prod G G Dugon Prod G G Dugon Prod G G G Dugon Prod G G G Dugon Prod G G G G G G G G G G G G G G G G G G G		. ● 4 ● 5	Dugan 2 -	Dugan		
11 12 G Dugan Prod G G Dugan Prod G G G Dream G G G G G G G G G G G G G G G G G G G		- 2				
11 12 G Dugan Prod G G Dugan Prod G G G Dream G G G G G G G G G G G G G G G G G G G		ullet $ullet$	• c		. •	
G G G G G G G G G G G G G G G G G G G	[.] []	12	DEC Wream AprilSuprise	8 .	9 ·	
Sinon th Witty	Dugan G •	e Dugon Hood	Ì	• 4	-	
Jinon the Witty		1			1	
U, SOA WITTY		sh i	į		,	
	J. non	WIFFY	J		<u></u>	

Figure 1

Dugan Production Corp. Application For 80-Acre Non-Standard Proration Unit W/2 NE/4 Sec. 31, T24N, R9W