

# dugan production corp.

*ATTN: Dave Cantor*

March 26, 1985

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

*Case 5583*

RE: Application for Administrative Approval of  
Unorthodox Location for Dugan Production Corp.  
Lucky Billy Charlie #2, 400' FSL - 400' FWL, Sec. 22, T27N, R13W, NMPM  
San Juan County, NM - Gallegos Gallup Extension

Dear Mr. Chavez:

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

The unorthodox location is necessary due to: existing pipeline connecting Lucky Billy Charley #1 and Uncle Sam #1, existing surface structures, meter houses for both wells, Billie Charley's sheep corral, and fencing in general area, for orthodox location.

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*

Sherman E. Dugan  
Agent

cg  
cc: BLM, Farmington  
Dietrich Resources Corp.  
Merrion Oil & Gas Corp.

**RECEIVED**

MAR 28 1985

OIL CON. DIV.,  
DIST. 3

NE 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.

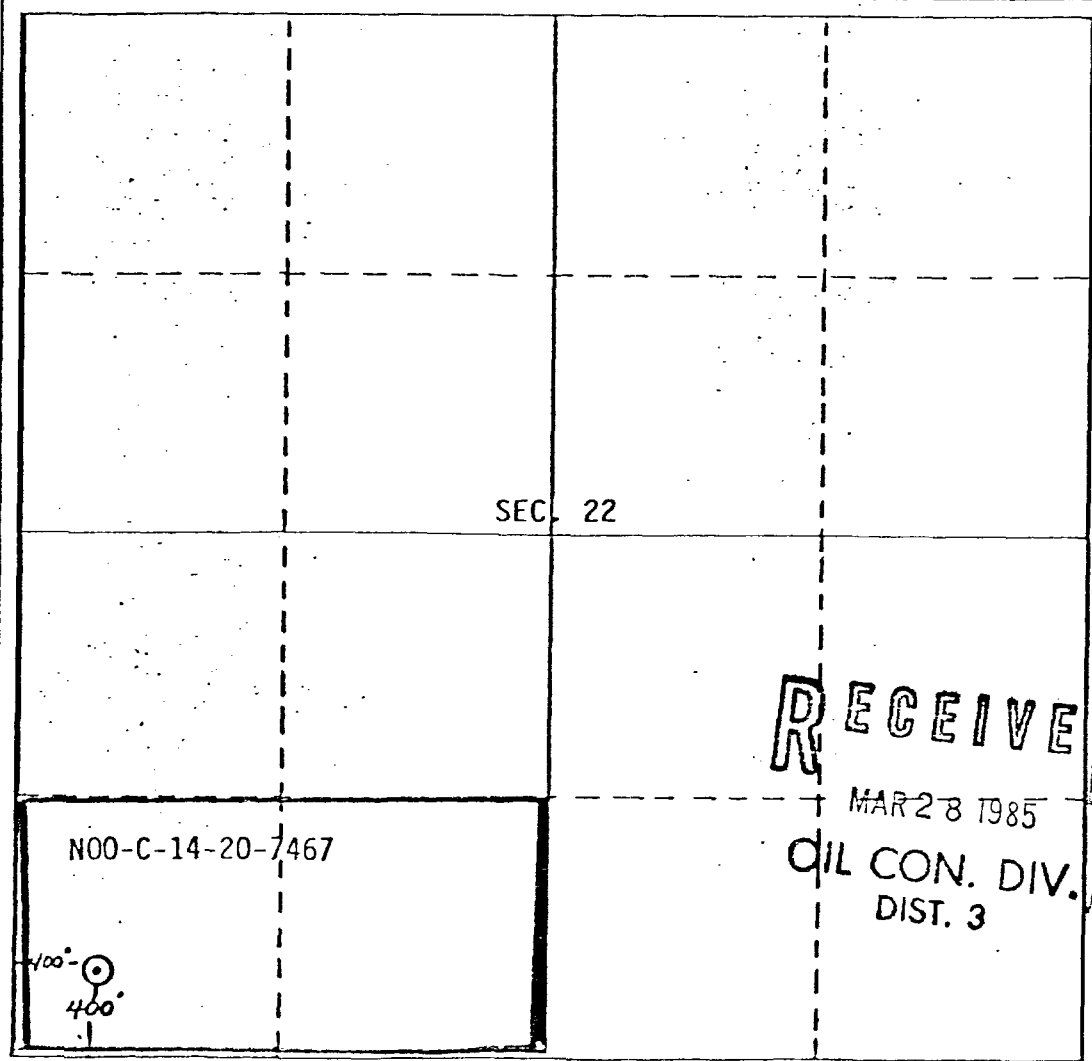
Operator Dugan Production Corp.		Lease Lucky Billy Charlie		Well No. 2
Unit Letter M	Section 22	Township 27 North	Range 13 West	County San Juan
Actual Footage Location of Well: 400 feet from the South line and 400 feet from the West line				
Ground Level Elev. 6081	Producing Formation Gallup	Pool Gallegos Gallup Extension	Dedicated Acreage: 80 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.



N00-C-14-20-7467

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OIL CON. DIV.  
DIST. 3

CERTIFICATION

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

*Sherman E. Dugan*  
Name

Sherman E. Dugan

Position  
Geologist

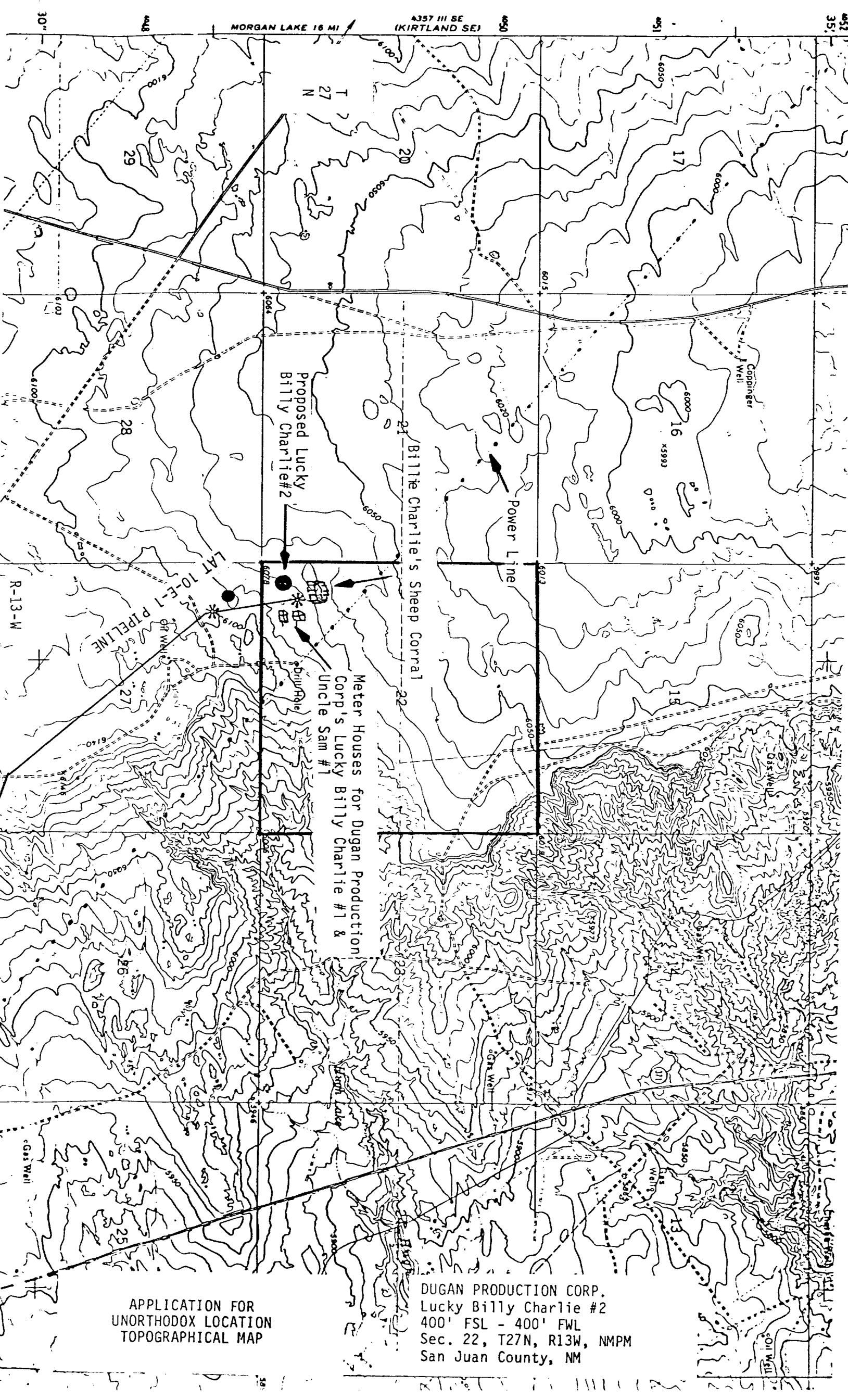
Company  
Dugan Production Corp.

Date  
3/11/85

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed  
3-5-85

Registered Professional Engineer and/or Land Surveyor  
*Thomas A. Dugan*  
Certificate No.

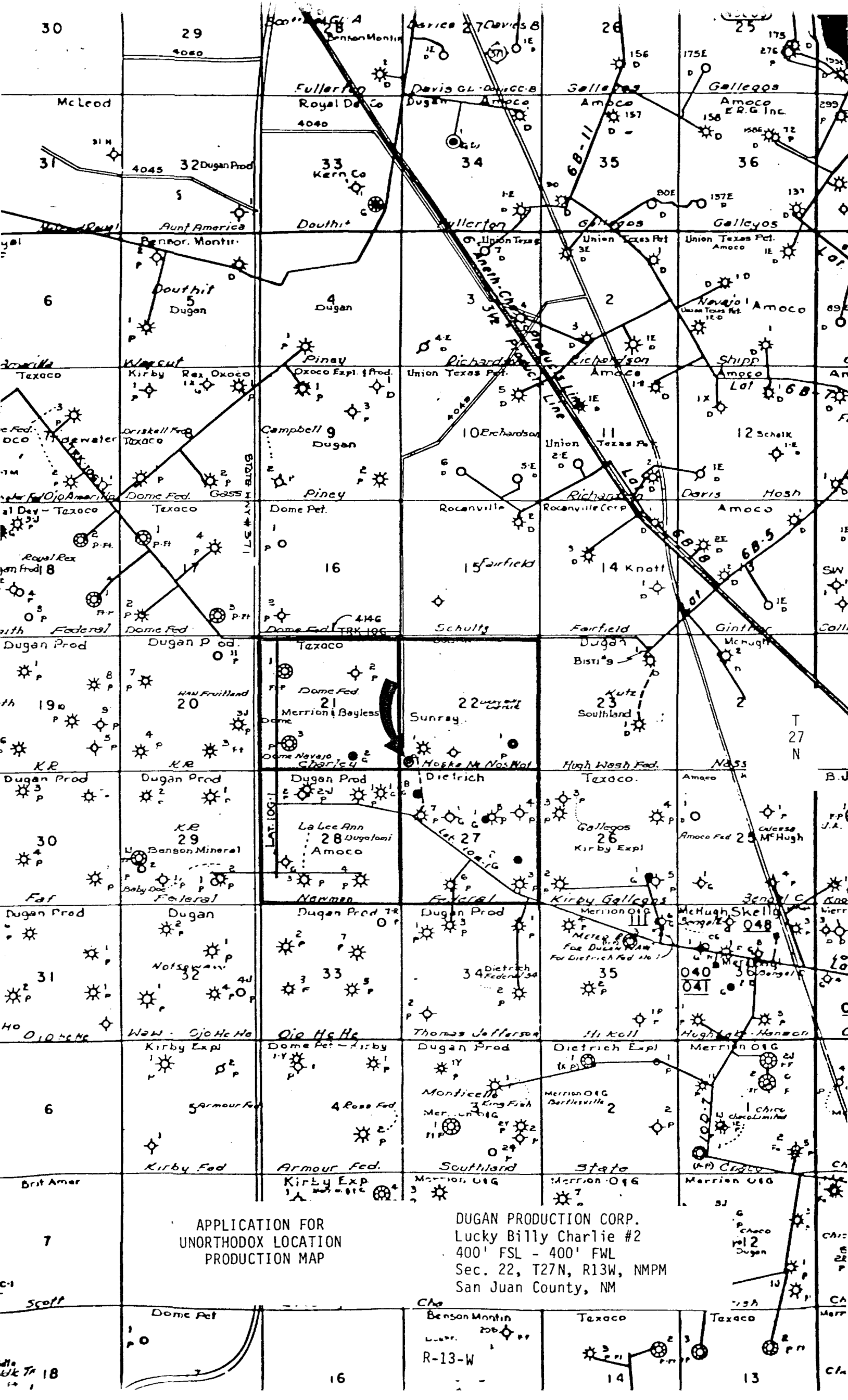


MORGAN LAKE 16 MI

4357 III SE (KIRTLAND SE)

APPLICATION FOR  
UNORTHODOX LOCATION  
TOPOGRAPHICAL MAP

DUGAN PRODUCTION CORP.  
Lucky Billy Charlie #2  
400' FSL - 400' FWL  
Sec. 22, T27N, R13W, NMPM  
San Juan County, NM



APPLICATION FOR  
UNORTHODOX LOCATION  
PRODUCTION MAP

DUGAN PRODUCTION CORP.  
Lucky Billy Charlie #2  
400' FSL - 400' FWL  
Sec. 22, T27N, R13W, NMPM  
San Juan County, NM

R-13-W

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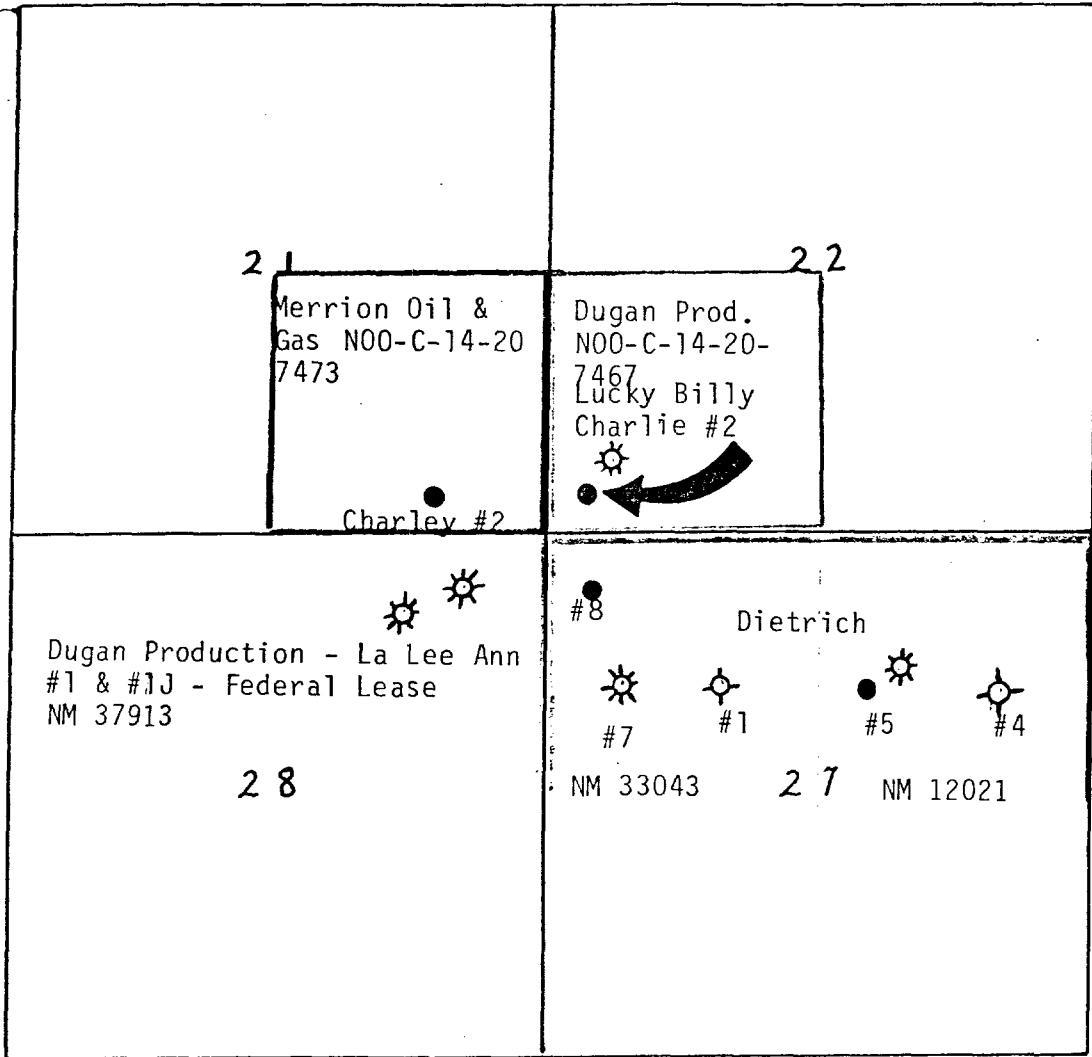
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APPLICATION FOR  
 UNORTHODOX LOCATION  
 OFFSETTING OPERATORS

DUGAN PRODUCTION CORP.  
 Lucky Billy Charlie #2  
 400' FSL - 400' FWL  
 Sec. 22, T27N, R13W, NMPM  
 San Juan County, NM

MERRION OIL & GAS CORPORATION

P. O. Box 1017  
FARMINGTON, NEW MEXICO 87499

March 29, 1985

Mr. Frank Chavez, Division Director  
New Mexico Oil Conservation Division  
1000 Rio Brazos Road  
Aztec, New Mexico 87410

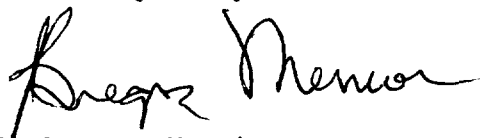
*Case 8583*

Re: Application of Dugan Production Corp.  
for Unorthodox Location  
Lucky Billy Charlie #2  
Section 22, T27N, R13W  
San Juan County, New Mexico  
Gallegos Gallup Extension

Dear Mr. Chavez:

This is to advise that we would prefer that subject well be located in an orthodox location.

Yours very truly,



J. Gregory Merrion  
President

JGM/rs

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APR 01 1985  
OIL CON. DIV.  
DIST. 3



STATE OF NEW MEXICO  
**ENERGY AND MINERALS DEPARTMENT**  
OIL CONSERVATION DIVISION

April 3, 1985

TONY ANAYA  
GOVERNOR

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

Dugan Production Corporation  
P.O. Box 208  
Farmington, New Mexico 87499

*Case 8583*

Attention: Sherman E. Dugan  
Agent

RE: Application for Administrative Approval of  
Unorthodox Location for Dugan Production Corp.  
Lucky Billy Charlie #2, 400' FSL-400'FWL  
Sec. 22,T27N-R13W,NMPM San Juan County, N.M.  
Gallegos Gallup Extension

Dear Mr. Dugan:

The above referenced application has been set before an Examiners Hearing set for April 24, 1985 as the result of an objection filed by Merrion Oil & Gas Corporation, see attachment.

If you should have any question concerning this matter, please contact me.

Sincerely,

MICHAEL E. STOGNER  
Chief Hearing Officer

MS/db

cc: Merrion Oil & Gas Corp.  
P.O. Box 1017  
Farmington, New Mexico 87499

MERRION OIL & GAS CORPORATION

P. O. Box 1017  
FARMINGTON, NEW MEXICO 87499

March 29, 1985

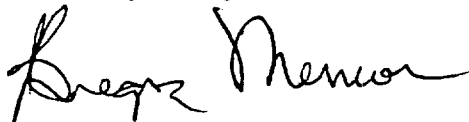
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