

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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JUL 25 2008

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1 Type of Well

☐ Oil
Well

☒ Gas
Well

☐ Other

2 Name of Operator

Dugan Production Corp.

3 Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821

Location of Well (Footage, Sec., T., R., M., or Survey Description)

2300' FSL & 660' FEL
Sec. 35, T26N, R12W, NMPM

5 Lease Designation and Serial No.

NM 61 RCVD JUL 28 '08

6 If Indian, Allotted or Tribe Name

OIL CONS. DIV.
DIST. 3

7 If Unit or CA, Agreement Designation

8 Well Name and No.

George Washington #90S

9 API Well No.

30 045 33752

10 Field and Pool, or Exploratory Area

Basin Fruitland Coal

11 County or Parish, State

San Juan, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

- ☒ Notice of Intent
- ☐ Subsequent Report
- ☐ Final Abandonment Notice

- ☐ Abandonment
- ☐ Recompletion
- ☐ Plugging Back
- ☐ Casing Repair
- ☐ Altering Casing
- ☒ Other On Lease CDP Gas Sales

- ☐ Change of Plans
- ☐ New Construction
- ☐ Non-Routine Fracturing
- ☐ Water Shut-Off
- ☐ Conversion to Injection
- ☐ Dispose Water

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

13 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.)

It is proposed to convert the existing gas sales meter for the George Washington No. 90 (Enterprise Meter No. 99740) to a CDP gas sales meter for Dugan Production's George Washington No. 90 & 90S wells. Both wells share an E/2, 320 acre standard spacing unit and are completed in the Basin Fruitland Coal gas pool (OCD Pool No. 71629). All interest ownership in both wells is common. Attachment No. 1 presents the proposed facility diagram. Both wells will be rod pumped with fluid (water & dissolved gas) from the tubing going to a common separator located on the George Washington 90 location. The water will be stored on the No. 90 location in one or two above grade tanks with disposal by water truck to an authorized water disposal facility. All gas recovered at the separator will be measured using an allocation meter and will be delivered to the CDP compressor for sale. Separator gas volumes will be allocated to the 90 & 90S for production reporting based upon produced water volumes. Gas volumes from the tubing/casing annulus will be metered at each well location using conventional gas allocation meters and will be delivered to the CDP compressor located on the No. 90 location. The CDP sales volumes and revenues will be allocated to each well based upon allocation meter volumes. Attachment No. 2 presents the proposed CDP and was reproduced from the Carson Trading Post topography map.

14 I hereby certify that the foregoing is true and correct

Signed

John D. Roe
John D. Roe

Title

Engineering Manager

Date

7/24/2008

(This space for Federal or State office use)

ACCEPTED FOR RECORD

Approved by

Title

Date

JUL 28 2008

Conditions of approval, if any

FARMINGTON FIELD OFFICE
BY [Signature]

Title 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

*See Instruction on Reverse Side

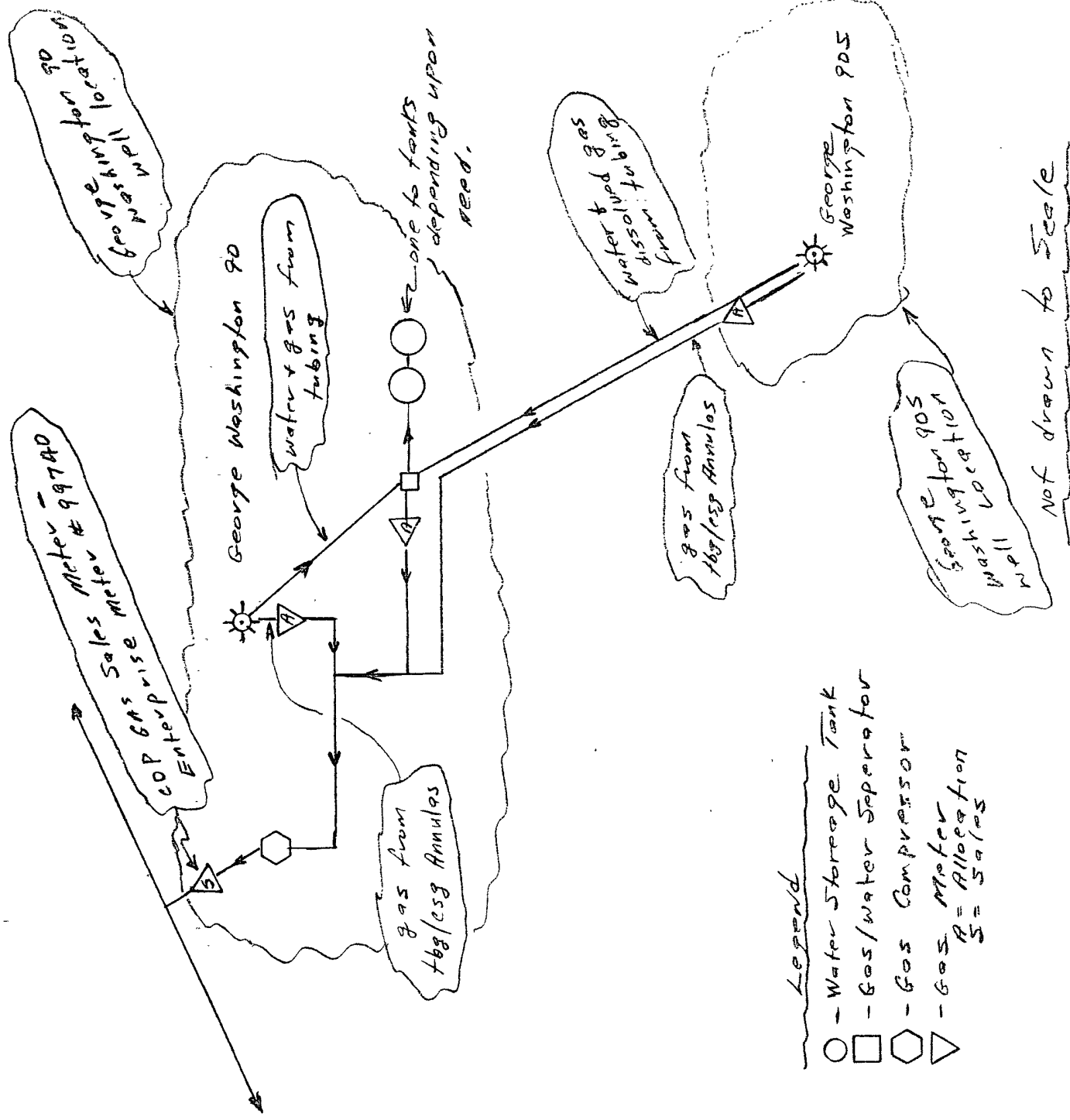
NMOCD

Attachment No. 1

Facility Diagram

George Washington 90 CDP
Section 35, T-26N, R-12W
San Juan County, NM

Well Name	RPI No.	Location	POOL
George Washington 90	30-045-28498	1850' FNL Y 1800' FEL	Bosm Fr Coal
George Washington 90S	30-045-33752	2300' FSL Y 660' FEL	Bosm Fr Coal



R-12W

23

24

22

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34

35

36

T
26
N

T
25
N

Enterprise Field Services
Trunk 10A

Dugan Production Corp.
Federal Lease NM-61

George Washington 91

CDP Sales Meter

George Washington 90

George Washington 90S

George Washington 1

Attachment No. 2

Dugan Production Corp.

Proposed George Washington 90 CDP

CDP location - Enterprise Meter No. 99740

SWNE 35, T-26N, R-12W

(current sales meter for George Washington 90)