

dugan production corp.

February 24, 1983

Bureau of Land Management  
Attn: District Supervisor  
P. O. Box 600  
Farmington, New Mexico 87499

Re: Application to Vent Casinghead Gas  
Dugan Production Corp.  
Nageezi #1  
Lease No. SF 078862A  
Unit N of Sec. 33, T-24-N, R-9-W  
Undesignated Gallup (San Juan) Field  
San Juan County, New Mexico

Gentlemen:

Attached is a copy of our application to the New Mexico Oil Conservation Commission for exception to the state No-Flare Rule 306 which was approved July 6, 1976, until further notice.

Also attached for your review is a copy of our most recent Gas-Oil Ratio Test (N. M. Form C-116) which presents a test taken on 9-7-82 during which a daily rate of 5.59 BOPD, 0.33 BWPD and 8.95 MCFD was tested. During 1982 production from the subject well averaged 1.64 BOPD with no measurable gas. During January 1983, production averaged 1.77 BOPD, 0.0 BWPD, and gas TSTM.

We request that the Bureau of Land Management recognize the current state authorization for the venting of a minor amount of casinghead gas (currently estimated to be less than 0.1 MCFD) which is not used on the lease for Dugan Production's Nageezi #1.

Sincerely,

*John D. Roe*

John D. Roe

JDR:mba

Attachments

**APPROVED**

FEB 23 1983

*For* JAMES F. SIMS  
DISTRICT ENGINEER