

dugan production corp.

February 24, 1983

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FEB 25 1983
U. S. GEOLOGICAL SURVEY

Bureau of Land Management
Attn: District Supervisor
P. O. Drawer 600
Farmington, NM 87499

Re: Application to Vent Casinghead Gas
Dugan Production Corp.
Sapp #1
Lease No. SF078868
Unit A of Sec. 28, T-24-N, R-8-W
Cuervo Mesaverde Field
San Juan County, New Mexico

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OIL CONSERVATION
COMMISSION

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.

Production from this well is essentially unchanged since the time of our application, averaging 2.53 BOPD during the first 11 months of 1982 (subject well was shut in during the month of December 1982). During January 1983 production averaged 3.04 BOPD, 0.0 BWPD. The gas produced in association with this well has been reported as TSTM. We currently attempt to use produced gas to fuel the motor on the pumping unit, however, have to supplement the casinghead gas with butane as the volumes of casinghead gas generally are not adequate to solely supply the requirements of the engine.

We hereby request that the Bureau of Land Management recognize the current state authorization for the venting of a very minor amount of casinghead gas (currently estimated at less than 0.1 MCF per day) which is not used on the lease.

Sincerely,

John D. Roe

John D. Roe

JDR:mba

Attachment

