

NO. OF COPIES RECEIVED	
DISTRIBUTION	
SANTA FE	
FILE	
U.S.G.S.	
LAND OFFICE	
TRANSPORTER	OIL
	GAS
OPERATOR	
PRORATION OFFICE	

NEW MEXICO OIL CONSERVATION COMMISSION
REQUEST FOR ALLOWABLE
AND
AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Form C-104
Supersedes Old C-104 and C-110
Effective 1-1-65

Operator DUGAN PRODUCTION CORP.	
Address P O Box 208, Farmington, NM 87499	
Reason(s) for filing (Check proper box)	Other (Please explain)
New Well <input checked="" type="checkbox"/>	Change in Transporter of:
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Ownership <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>

If change of ownership give name
and address of previous owner

DESCRIPTION OF WELL AND LEASE		Kind of Lease	Lease No.
Lease Name WAC	Well No. 1	State, Federal or Fee Federal	NM 36473
Pool Name, including Formation Basin Dakota			
Location			
Unit Letter D	790	Feet From The North	Line and 890
Feet From The West			
Line of Section 17	Township 24 North	Range 9 West	County San Juan

DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS		Address (Give address to which approved copy of this form is to be sent)	
Name of Authorized Transporter of Oil <input type="checkbox"/> or Condensate <input checked="" type="checkbox"/>		Box 256, Farmington, NM 87499	
Name of Authorized Transporter of Casinghead Gas <input type="checkbox"/> or Dry Gas <input type="checkbox"/>		Address (Give address to which approved copy of this form is to be sent)	
If well produces oil or liquids, give location of tanks.	Unit D	Sec. 17	Twp. 24N
	Pge. 9W	Is gas actually connected? No	When

If this production is commingled with that from any other lease or pool, give commingling order number:

COMPLETION DATA		Oil Well	Gas Well	New Well	Workover	Deepen	Plug Back	Same Restv.	Diff. Restv.
Designate Type of Completion - (X)			X	X					
Date Spudded 4-17-84	Date Compl. Ready to Prod. 7-23-84	Total Depth 6425'		P.B.T.D. 6387'					
Elevations (DF, RKB, RT, GR, etc.) 6750' GL; 6762' RKB	Name of Producing Formation Dakota	Top Oil/Gas Pay 6339'		Tubing Depth 6251'					
Perforations 6339-6358, 12 holes.				Depth Casing Shoe 6425'					
TUBING, CASING, AND CEMENTING RECORD									
HOLE SIZE	CASING & TUBING SIZE	DEPTH SET		SACKS CEMENT					
12-1/4"	8-5/8"	219' RKB		159 cf					
7-7/8"	4-1/2"	6425' RKB		2243.5 cf in 2 stages					
	2-3/8"	6251'							

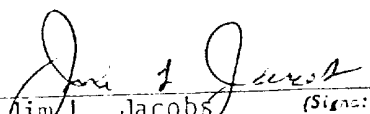
TEST DATA AND REQUEST FOR ALLOWABLE OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours)

Date First New Oil Run To Tanks	Date of Test	Producing Method (Flow, pump, gas lift, etc.)	
Length of Test	Tubing Pressure	Casing Pressure	Choke Size
Actual Prod. During Test	Oil-Bbls.	Water-Bbls.	Gas-MCF

GAS WELL		Bbls. Condensate/MMCF	Gravity of Condensate
Actual Prod. Test-MCF/D 93.5	Length of Test 24 hrs.		55° est.
Testing Method (pilot, back pr.) pumping	Tubing Pressure (shut-in) 400'	Casing Pressure (shut-in) 750	Choke Size ---

I. CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Commission have been complied with and that the information given above is true and complete to the best of my knowledge and belief.


Jim L. Jacobs (Signature)
Geologist (Title)

7-31-84 (Date)

OIL CONSERVATION COMMISSION
9-21-84
APPROVED SEP 21 1984
BY Original Signed by FRANK T. CHAVEZ
SUPERVISOR DISTRICT # 3
TITLE

This form is to be filed in compliance with RULE 1104.
If this is a request for allowable for a newly drilled or deepened well, this form must be accompanied by a tabulation of the deviation tests taken on the well in accordance with RULE 111.
All sections of this form must be filled out completely for allowable on new and recompleted wells.
Fill out only Sections I, II, III, and VI for changes of owner, well name or number, or transporter or other such change of condition.

4272C



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

TONY ANAYA
GOVERNOR

September 21, 1984

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

Administrative Order No. DHC-521

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

Attention: Steve Folk, Geologist

Re: WAC Well No. 1, Unit D,
Sec. 17, T-24-N, R-9-W,
San Juan County
Bisti Lower Gallup and
Basin Dakota Pools

Gentlemen:

Reference is made to your recent application for an exception to Rule 303-A of the Division Rules and Regulations to permit the subject well to commingle the production from both pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303-C, and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above.

In accordance with the provisions of Rule 303.C.4., total commingled oil production from the subject well shall not exceed 40 barrels per day, and total water production from the well shall not exceed 80 barrels per day. The maximum amount of gas which may be produced daily from the well shall be determined by Division Rules and Regulations or by the gas allocations for each respective prorated gas pool as printed in the Oil Conservation Division's San Juan Basin Gas Proration Schedule.

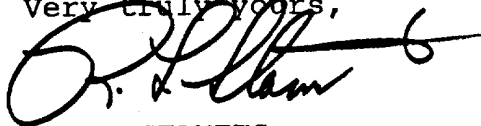
Assignment of allowable to the well and allocation of production from the well shall be on the following basis:

RECEIVED
SEP 24 1984
OIL CON. DIV.
DIST. 3

Bisti Lower Gallup Pool: Oil 85%, Gas 15%
Basin Dakota Pool: Oil 15%, Gas 85%

Pursuant to Rule 303-C 5, the commingled authority granted by this order may be rescinded by the Division Director if, in his opinion, conservation is not being best served by such commingling.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'R. L. Stamets', with a long horizontal flourish extending to the right.

R. L. STAMETS,
Acting Director