

# dugan production corp.

April 3, 1998

RECEIVED  
APR - 6 1998  
OIL CON. DIV.  
DIST. 3

Ms. Lori Wrotenberg, Director  
New Mexico Oil Conservation Division  
2040 South Pacheco  
Santa Fe, NM 87505

Re: Request for Administrative Approval  
Non-Standard Location  
Dugan Production Corp.'s  
Ginther Gas Com Well No. 2 (API No. 30-045-06512)  
K-13-27N-13W, San Juan County, New Mexico  
WAW Fruitland Sand-Pictured Cliffs Gas Pool

Dear Ms. Wrotenberg:

We are writing to request your administrative approval for the non-standard location of the captioned well.

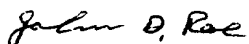
Dugan Production acquired this well from Amoco Production Co. effective 2-2-98 and upon filing a form C-104 reflecting the change in operator, we discovered the need for a NSL approval. The Ginther No. 2 which is located 2310' FSL & 1850' FWL of Section 13 was initially completed in the Basin Dakota Pool on 8-22-59. After producing approximately 1.16 BCF of gas plus 3162 bbl condensate from the Dakota, Amoco recompleted this wellbore to the current WAW Fruitland Sand-PC pool interval on 8-21-96. To date there has been no production reported from the current Fruitland Sand completion which was tested with an initial potential of 150 MCFD + 14 BWPD. Dugan Production desires to place the Ginther No. 2 on production and since this well is located 2310' from the South line of the Section, it is also only 330' from the north line of the 160 Acre spacing unit for the current WAW Fruitland Sand-PC completion. Statewide rules require a minimum of 790' from the outer boundary and thus we respectfully request your administrative approval for this plug-back recompletion. Attachment No. 1 presents a plat of the subject spacing unit along with a description of the offsetting leases and the affected parties.

By copy of this letter, we are providing notice to our two working interest owners (Dugan holds

an 89.583% working interest) and to the lessees of record and owners of unleased minerals for all adjoining and diagonal leases offsetting the spacing unit for the Ginther No. 2. There are no offset completions in the WAW Fruitland Sand-PC pool. Attachment No. 2 is a map of the general area and the general proximity of the main products line between El Paso's Aneth and Chaco plants is likely the reason for the location of the Ginther No. 2 being unorthodox at the time of initial drilling. The offset wells on this map are all completed in the Basin Dakota gas pool.

Should you have questions or need additional information, please let me know.

Respectfully,

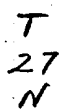
A handwritten signature in cursive script that reads "John D. Roe".

John D. Roe  
Engineering Manager

JDR/tmf

attachs.

cc: NMOCD - Aztec



- G. E/2 Section 14, 320 Acre Federal Lease NM060402A  
Little Oil & Gas  
P. O. Box 1258, Farmington, NM 87499-1258

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
811 South First, Artesia, NM 88201  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

Form C-102  
Revised October 18, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

AP# Number 3004506512	Pool Code 87190	Pool Name WAW Fruitland Sand PC (Gas) <i>EXT</i>
Property Code 601	Property Name Ginther Gas Com	Well Number 2
OGRID No. 000778	Operator Name Amoco Production Company	Elevation 5847'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	13	27N	13W		2310	South	1850	West	San Juan

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
160			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16				17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  <i>Patty Haefele</i> Signature Patty Haefele Printed Name Staff Assistant Title 2/8/96 Date
1850'	SF078099-C	SF078099	2310'	18 SURVEYOR CERTIFICATION 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 belief. 7/20/59 Date of Survey Signature and Seal of Professional Surveyer: on file 1463 Certificate Number

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A Hatchmont No. 2  
Dugan Production's  
Gintner Gas Com #2  
K-13-27N-13W

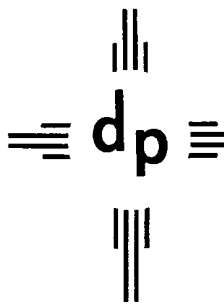
Gintner  
Gas Com #2  
W. W. F. R.  
Sand-Pe Pool

T  
27  
N

El Paso  
Anetha to Chaco  
Plant Products  
Lines -  
3 1/2" & 6"

R 13W

R 12W



dugan production corp.

April 3, 1998

**CERTIFIED-RETURN RECEIPT**

To: Owners of Leases and Unleased Minerals  
Offsetting Dugan Production Corp.'s  
Ginther Gas Com No. 2 well  
Unit K, Section 13, T-27N, R-13W  
San Juan County, NM

Dear Interest Owner (Address list attached):

Dugan Production Corp is making application to the New Mexico Oil Conservation Division and is requesting their administrative approval for the non-standard location of the captioned well which has recently been recomplected from the Basin Dakota to the WAW Fruitland Sand-PC gas pool. Attached for your information and file is a copy of our application. Our records reflect that you are the owner of Fruitland and/or Pictured Cliffs mineral interest in a lease offsetting our Ginther Gas Com No. 2 spacing unit for the WAW Fruitland Sand-PC which comprises the SW/4 of Section 13. Should you be opposed to the NMOCD approving our application, you should provide your objections to the NMOCD at 2040 South Pacheco, Santa Fe, NM 87505, in writing within 20 days from the date of this letter. We would appreciate receiving a copy of any correspondence to the NMOCD.

Should you have questions or need additional information, please let us know at the letterhead address or phone number.

Sincerely,

John D. Roe  
Engineering Manager

JDR/tmf

attachs.

cc: NMOCD - Aztec, Santa Fe

**INTEREST OWNERS OF OFFSET LEASES & UNLEASED MINERALS  
DUGAN PRODUCTION CORP.'S GINTHER GAS COM NO. 2**

- A. SW/4 160 Acre spacing unit for Dugan's Ginther No. 2. See NMOC Form C-102 for lease details.

<u>Working Interest Owners:</u>	<u>WI-%</u>
Dugan Production Corp.	89.58334

H. S. Bennett 6.2500  
P. O. Box 1401, Dallas, TX 75221-1401

John R. Royall 4.16666  
4800 Republic Tower  
325 N. St. Paul St., Dallas, TX 75201-3830

Royalty Interest - USA - Federal Leases - SF078099 & SF078099C  
C/O Bureau of Land Management  
Attn: Mr Duane Spencer  
1235 La Plata Highway, Farmington, NM 87401

- B. W/2 NW/4 Section 13 - 80 Acre Federal Lease SF078099A  
Cross Timbers Oil Co.  
810 Houston Street, Suite 2000, Ft. Worth, TX 76102-6298  
Burlington Resources  
P. O. Box 4289, Farmington, NM 87499-4289

- C. E/2 NW/4 Section 13 - 80 Acre Federal Lease SF078099B  
Cross Timbers Oil Co.  
Burlington Resources

- D. E/2 Section 13 - 320 Acre Federal Lease SF078099  
Cross Timbers Oil Co.  
Burlington Resources

- E. N/2 Section 24 - 320 Acre Federal Lease NM12033  
Conoco Oil  
10 Desta Drive, Suite 100W, Midland TX 79705-4500

- F. N/2 Section 23, 320 Acre unleased Federal minerals  
Bureau of Land Management  
Attn: Mr. Duane Spencer  
1235 La Plata Highway, Farmington, NM 87401

- G. E/2 Section 14, 320 Acre Federal Lease NM060402A  
Little Oil & Gas  
P. O. Box 1258, Farmington, NM 87499-1258