



dugan production corp.

June 1, 1977

Joe D. Ramey
Secretary-Director
New Mexico Oil Conservation Commission
Box 2088
Santa Fe, NM 87501

Dear Mr. Ramey:

Under the provisions of NMOCC Order R-5359 we are requesting administrative approval for downhole commingling of Fruitland and Pictured Cliffs production on the well listed below for the following reasons:

Operator	Well Name and Number	Location
Jerome P. McHugh	Nassau #7	K 36-T27N-R12W

1. The bottom-hole pressure is estimated to be

350 psig for the Fruitland formation, and
300 psig for the Pictured Cliffs formation.

2. Both zones will be marginal producers with

100 MCFGPD estimated for the Fruitland formation, and
50 MCFGPD estimated for the Pictured Cliffs formation.

We believe the granting of this request will permit the production of marginal reserves from both formations and not result in waste.

Sincerely,

Original signed by
Jim L. Jacobs
Jim L. Jacobs

cb

xc: NMOCC (Aztec)✓

