



GARREY CARRUTHERS
GOVERNOR

STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

T30N, R14W, Sec. 9

GIBRALTAR

of
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POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

January 10, 1989

Dugan Production Corp.
P.O. Box 5820
Farmington, NM 87499-5820

Attention: Richard Corcoran, Landman

Administrative Order NSP-1550

Dear Mr. Corcoran:

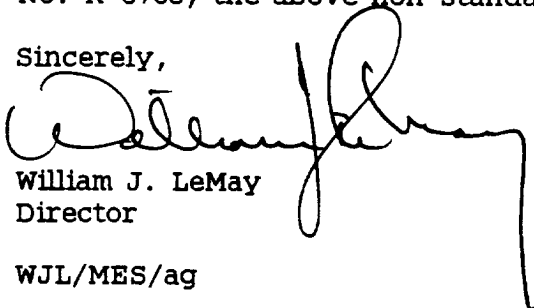
Reference is made to your application of November 18, 1988 for a 160-acre non-standard gas proration unit consisting of the following acreage in the Basin Fruitland Coal (Gas) Pool:

SAN JUAN COUNTY, NEW MEXICO
TOWNSHIP 30 NORTH, RANGE 14 WEST, NMPM
Section 9: NE/4

It is my understanding that this unit is to be dedicated to your Gibraltar Well No. 1 which is presently completed as a wildcat Fruitland gas well and is located at a standard coal gas well location 1850 feet from the North and East lines (Unit 3) of said Section 9.

By authority granted me under the provisions of Rule 6 of said Division Order No. R-8768, the above non-standard gas proration unit is hereby approved.

Sincerely,


William J. LeMay
Director

WJL/MES/ag

cc: Oil Conservation Division - Aztec
NM Oil and Gas Engineering Committee - Hobbs
U.S. Bureau of Land Management - Farmington
Vic Lyon

RECEIVED
FEB 28 1989
OIL CON. DIV
DIST. 3