

POST OFFICE BOX 234
Zip Code 87401

TELEPHONE: 325-9184 Office
325-5694 Home

DUGAN PRODUCTION CORP.

THOMAS A. DUGAN, President

709 BLOOMFIELD RD.
FARMINGTON, NEW MEXICO

July 17, 1967

Area Code 505

*2 filed - Review &
sure a copy of this
application as well
as the adm. Order
gets in the well file*

*NSC-402
issue - 8-8-67 7/25
Bosni - Dakota Rule 3*

Mr. A. L. Porter
Oil Conservation Commission
Box 2088
Santa Fe, New Mexico

Re: Thomas A. Dugan
Shiprock #1
Sec. 14, T30N, R18W
San Juan County, N. M.
735' fnl and 1360' fel

Dear Mr. Porter:

Cactus Drilling Corporation drilled a test to the Pennsylvania located 540' fnl and 810' fel, Sec. 14, T30N, R18W. Cactus abandoned this well in early 1966. Subsequently, we have re-entered the well and completed it as an oil producer from the Dakota formation at 1000'.

While surveying other wells in this area, it was noted that an error was made originally in the location of the Shiprock #1 and the correct location is 735' fnl and 1360' fel. We are requesting administrative approval for an unorthodox location for our Shiprock #1 well. All of Section 14 is under the ownership of Thomas A. Dugan.

Sincerely,

Thomas A. Dugan
Thomas A. Dugan

dw

MAIN OFFICE D

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POST OFFICE BOX 234
Zip Code 87401

DUGAN PRODUCTION CORP.

THOMAS A. DUGAN, President

709 BLOOMFIELD RD.
FARMINGTON, NEW MEXICO

July 24, 1967

TELEPHONE: 325-9184 Office
325-5694 Home

Area Code 505

Rec'd 34670-C

Mr. George M. Hatch
Legal Division
Oil Conservation Commission
P. O. Box 2088
Santa Fe, New Mexico

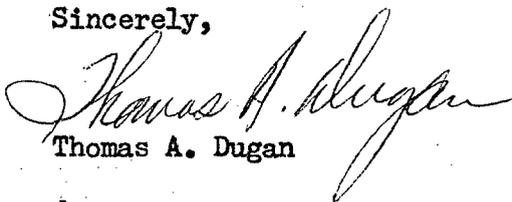
Re: Shiprock Well #1

Dear Mr. Hatch:

We have purchased the offset lease in Section 11, T30N,
R18W, San Juan County, N. M., from Chevron Oil Company.
A copy of the assignment is enclosed.

We will, of course, waive any objections to the
unorthodox location.

Sincerely,


Thomas A. Dugan

dw

enc. 1

MAIN OFFICE 9-11-67

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NAVAJO TRIPAL #22

LEASE No. _____

CONTRACT No. 14-20-603-7271

5-154e (August 1961)

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

ASSIGNMENT OF MINING LEASE

WHEREAS, the Secretary of the Interior or his authorized representative has heretofore approved Oil and Gas mining lease, dated August 7, 1962, Paul Jones, Chairman, Navajo Tribal Council of San Juan, New Mexico, for and on behalf entered into by and between / of the Navajo Tribe of Indians, lessor, and Chevron Oil Company, formerly California Oil Company, a California corporation, lessee,

covering the following-described lands in the Navajo Reservation (Insert name of Reservation, Pueblo, Nation, etc., as needed)

in the State of New Mexico Township 30 North, Range 19 West, N.M.P.M.:

Section 11: 8 1/2 S 12: 8 1/2 S

containing 360 acres, more or less.

NOW, THEREFORE, for and in consideration of Ten and no/100ths dollars (\$10.00), the receipt of which is hereby acknowledged, the said Chevron Oil Company

the owner of the above-described lease, hereby bargains, sells, transfers, assigns, and conveys all of its right, title, and interest in and to said lease,

subject to the approval of the Secretary of the Interior or his authorized representative to

Thomas A. Dugan, of 790 Bloomfield Road, Farmington, New Mexico

Said assignment to be effective from date of approval hereby by the Secretary of the Interior or his authorized representative.

IN WITNESS WHEREOF, the said assignor has hereunto set its hand and seal, this 13th day of July, 1962, CHEVRON OIL COMPANY

BY G. D. Jones, Contract Agent, Western Division, Assistant Secretary

COPIES OF FILE OF

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ACKNOWLEDGMENT OF CORPORATION

STATE OF COLORADO)
CITY AND) SS
COUNTY OF DENVER)

On this 12th day of July, 1967, before me, the undersigned, a Notary Public, personally appeared G. D. Jones and H. L. Purdy, to me personally known, who being by me duly sworn did say that they are the Contract Agent, Western Division, and Assistant Secretary, respectively, of CHEVRON OIL COMPANY, a California corporation, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and that they executed the instrument as their voluntary act and deed and the voluntary act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

ORISE GAUDREAU
Notary Public in and for the State of Colorado,
residing at Denver, Col. My Commission expires
Jan. 26, 1971

Orise Gaudreau
Notary Public

My commission expires 19

Notary Public.

ACCEPTANCE BY ASSIGNEE

The assignee in the above and foregoing assignment, made subject to the approval of the Secretary of the Interior, hereby accepts such assignment and agrees to fulfill all the obligations, conditions, and stipulations in said described indenture of lease, when assigned, and the rules and regulations of the Secretary of the Interior applicable thereto, and to furnish proper bond guaranteeing a faithful compliance with said lease and this agreement.

IN WITNESS WHEREOF, the said assignee has hereunto set his hand and seal this 12th day of July, 1967

Thomas A. Weger

in the State of

CONSENT OF SURETY

The surety for on the bond accompanying the lease above described, hereby consents to the assignment and transfer of said lease as above made and agrees that said bond shall remain in force and effect covering obligations of assignee.

Dated at this day of 19

ASSIGNMENT OF MINING INTEREST

DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

DEPARTMENT OF THE INTERIOR

APPROVED:

UNITED STATES

COMMISSIONER

Area Director

U.S. GOVERNMENT PRINTING OFFICE

OIL CONSERVATION COMMISSION
P. O. BOX 2088
SANTA FE, NEW MEXICO

LEGAL DIVISION
PHONE 827-2741

July 21, 1967

Mr. Thomas A. Dugan
Dugan Production Corporation
P. O. Box 234
Farmington, New Mexico 87401

Re: Shiprock Well No. 1

Dear Mr. Dugan:

Reference is made to your application for administrative approval of the unorthodox location of the subject well in the Basin-Dakota Gas Pool 735 feet from the North line and 1360 feet from the East line of Section 14, Township 30 North, Range 18 West, NMPM, San Juan County, New Mexico.

If you have notified the offset operator to the north (Standard Oil Company of Texas) of your application, please so advise us. If you have not notified them, please do so and advise us that notice has been given.

Unless waiver is received from the offset operator, a waiting period of 20 days will be necessary concerning your application.

Very truly yours,

GEORGE M. HATCH
Attorney

GMH/esr

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P
Y