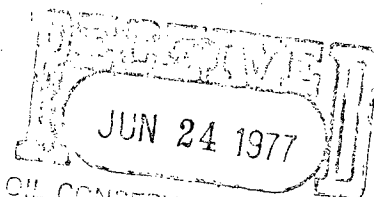


NSL-867

104 F

Due July 14

APPLICATION FOR ADMINISTRATIVE APPROVAL  
OF UNORTHODOX LOCATION



Applicant:

Jerome P. McHugh  
600 South Cherry Street  
Suite 1225  
Denver, CO 80222

Lease:

USA NM 16476

Lease Date:

September 1, 1972

Lease Term:

5 years

Name of Well:

Bengal C #5 Well

Dedicated Acreage:

*Pictured Cliffs Formation*

Township 27 North, Range 13 West, NMPM  
Section 36: SE/4  
Containing 160 acres, more or less  
San Juan County, New Mexico

Proposed Unorthodox Location:

Township 27 North, Range 13 West, NMPM  
Section 36: 790' FSL - 2000' FEL  
San Juan County, New Mexico

Reason for Unorthodox Location:

Topographical conditions based on request by officials of the Navajo Indian Irrigation Project to locate the well in such a manner so as to not interfere with the sprinkler systems of the project.

New Mexico Oil Conservation  
Commission Rule Authorizing  
Application:

Rule 104 (D) (F) (F)

Offsetting Leases and Operators:

- A. USA NM 16476  
Township 27 North, Range 13 West, NMPM  
Section 36: N/2  
San Juan County, New Mexico

Dugan Production Corp.  
Box 234  
Farmington, NM 87401

- B. USA SF 078391-C  
Township 27 North, Range 13 West, NMPM  
Section 36: SW/4  
San Juan County, New Mexico

Hanlad Oil Corporation  
Box 1515  
Roswell, NM 88201  
Attn: Douglas L. "Lad" McBride, President

El Paso Natural Gas Company  
Box 1492  
El Paso, TX 79978  
Attn: D. N. Canfield, Director of Land

C. USA SF 080238-A

Township 26 North, Range 13 West, NMPM  
Section 1: N/2

Township 26 North, Range 12 West, NMPM  
Section 6: NW/4

Township 27 North, Range 12 West, NMPM  
Section 31: W/2  
San Juan County, New Mexico

Dugan Production Corp.  
Box 234  
Farmington, NM 87401

J. Gregory Merrion  
Box 1541  
Farmington, NM 87401

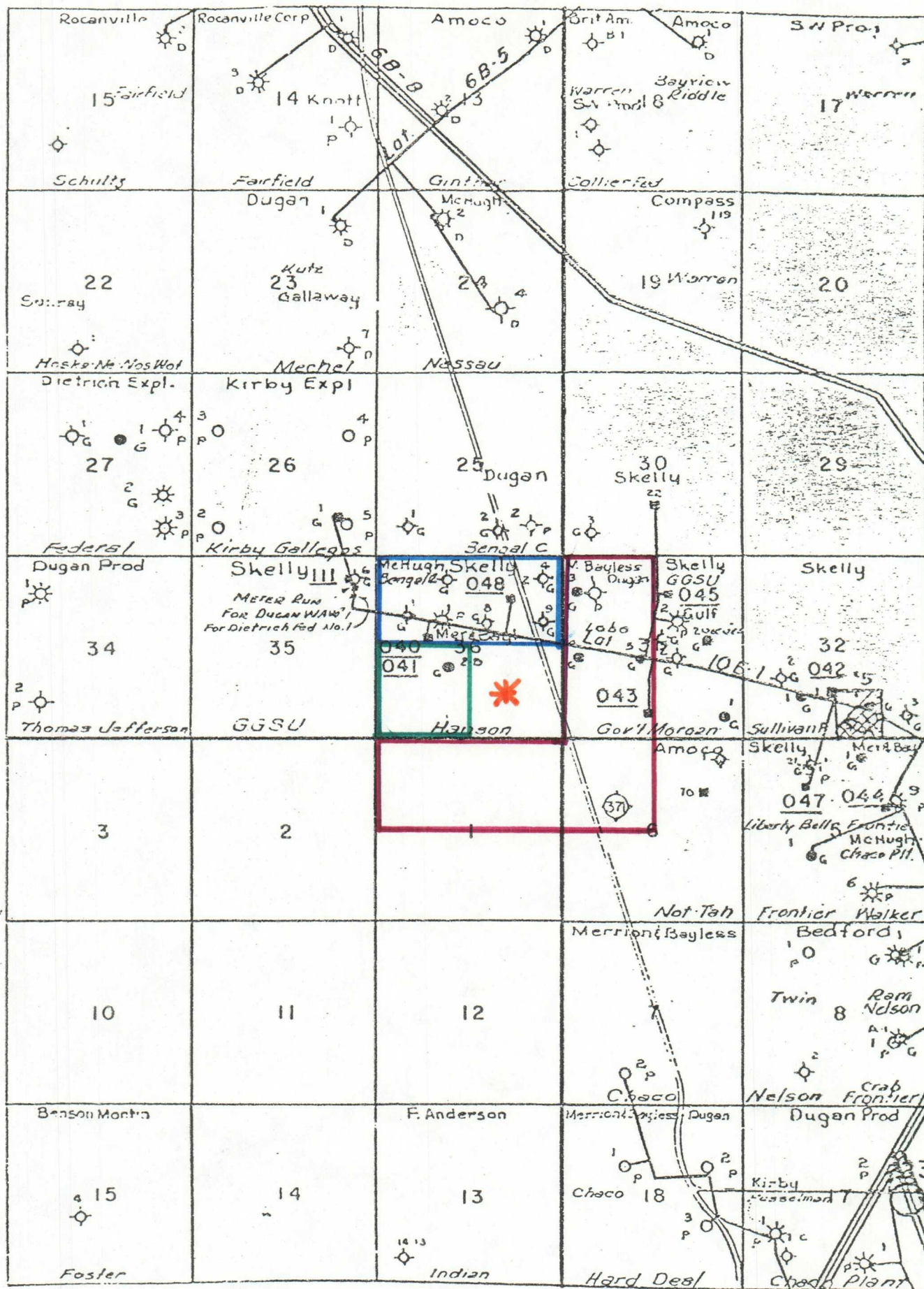
Robert L. Bayless  
Box 1541  
Farmington, NM 87401

Atom, Inc.  
Box 1109  
Farmington, NM 87401


CERTIFICATE OF MAILING

I certify that I mailed a copy of this Application by certified mail to all operators of leases offsetting the dedicated acreage of the Bengal C #5 Well, to the Supervisor of District III of the New Mexico Oil Conservation Commission, and to the Acting Project Manager of the Navajo Indian Irrigation Project on this 24<sup>th</sup> day of June, 1977.




  
\_\_\_\_\_  
Richard Tully

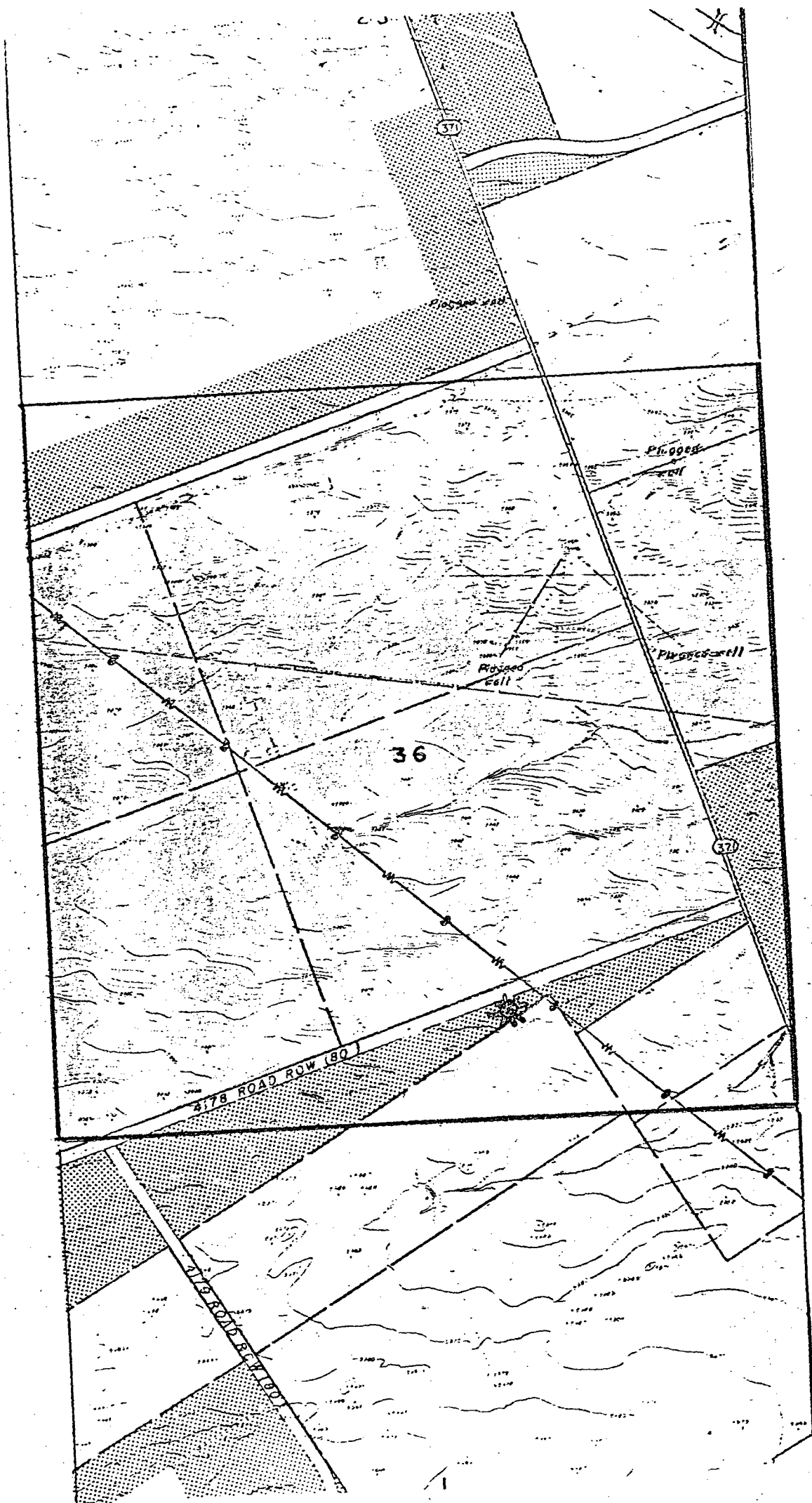


APPLICATION FOR ADMINISTRATIVE  
APPROVAL OF UNORTHODOX LOCATION  
FOR THE BENGAL C #5 WELL

 PROPOSED LOCATION

Offsetting Leases

-  USA NM 16476
-  USA SF 078391-C
-  USA SF 080238-A



APPLICATION FOR ADMINISTRATIVE  
APPROVAL OF UNORTHODOX LOCATION  
FOR THE BENGAL C #5 WELL



PROPOSED LOCATION

OIL CONSERVATION COMMISSION  
Ceyte DISTRICT

OIL CONSERVATION COMMISSION  
BOX 2088  
SANTA FE, NEW MEXICO

*Jim Kapteina*

DATE June 28, 1977

RE: Proposed MC \_\_\_\_\_  
Proposed DHC \_\_\_\_\_  
Proposed NSL ✓ \_\_\_\_\_  
Proposed SWD \_\_\_\_\_  
Proposed WFX \_\_\_\_\_  
Proposed PMX \_\_\_\_\_

Gentlemen:

I have examined the application dated June 24, 1977  
for the Jerome P. McHugh Bengal #5 0-36-27N-13W  
Operator Lease and Well No. Unit, S-T-R

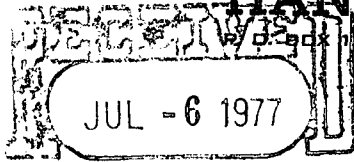
and my recommendations are as follows:

Approve  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Yours very truly,

AR Sundick

# HANLAD OIL CORPORATION



W. D. BOX 1515 ROSWELL, NEW MEXICO 88201 PHONE 505-622-7330

OIL CONSERVATION COMM.  
Santa Fe

July 5, 1977

Dugan Production Corp.  
Post Office Box 234  
Farmington, New Mexico 87401

Attention: Mr. Richard Tully  
Landman

Re: Jerome P. McHugh  
Bengal C #5 Well  
Unorthodox Location  
San Juan County, New Mexico

Gentlemen:

Pursuant to instructions contained in your letter of June 24, 1977, enclosed herewith you will please find one executed copy of the Waiver of Objection and Consent to the Unorthodox Location of the captioned well.

We are this date forwarding one executed copy of the foregoing to the Secretary-Director of the New Mexico Oil Conservation Commission.

We have retained a copy for our file.

Thank you.

Yours very truly,

HANLAD OIL CORPORATION

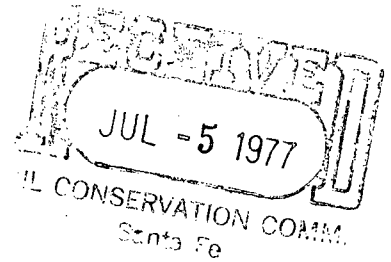
A handwritten signature in cursive script, reading "Josephine M. Chambers". The signature is written in dark ink and is positioned above the typed name and title.

(Mrs.) Josephine M. Chambers  
Secretary - Land & Legal

/jc  
Enclosure

xc: New Mexico Oil Conservation Commission w/Waiver ✓

WAIVER OF OBJECTION  
AND CONSENT TO THE UNORTHODOX  
LOCATION OF THE BENGAL C #5 WELL



The undersigned, as an operator of a lease offsetting the SE/4 of Section 36, Township 27 North, Range 13 West, NMPM, San Juan County, New Mexico, does hereby acknowledge receipt of the Application for Administrative Approval of Unorthodox Location for the Bengal C #5 Well.

The undersigned states that it waives any objection that it may have to this unorthodox location, and voluntarily consents to the location of the Bengal C #5 Well as stated in the above mentioned Application.

Dated this 30th day of June, 1977.

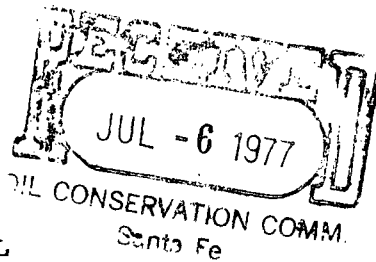
Company: Dugan Production Corp.

By: J. A. Dugan

Title: President

Address: Box 234, Farmington, NM 87401

WAIVER OF OBJECTION  
AND CONSENT TO THE UNORTHODOX  
LOCATION OF THE BENGAL C #5 WELL



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The undersigned states that it waives any objection that it may have to this unorthodox location, and voluntarily consents to the location of the Bengal C #5 Well as stated in the above mentioned Application.

Dated this \_\_\_\_\_ day of June, 1977.

Company: ATOM, INC.

By: Hugh Mitchell

Title: President.

Address: Box 1109, Farmington, New Mex.



WAIVER OF OBJECTION  
AND CONSENT TO THE UNORTHODOX  
LOCATION OF THE BENGAL C #5 WELL

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The undersigned states that it waives any objection that it may have to this unorthodox location, and voluntarily consents to the location of the Bengal C #5 Well as stated in the above mentioned Application.

Dated this Fifth day of <sup>July</sup>~~June~~, 1977.

Company: HANLAD OIL CORPORATION

By: Douglas L. McBride

Title: President

Address: Post Office Box 1515  
Roswell, New Mexico 88201

RECEIVED  
JUN 29 1977  
WAIVER OF OBJECTION  
AND CONSENT TO THE UNORTHODOX  
LOCATION OF THE BENGAL C #5 WELL  
BUREAU OF LAND MANAGEMENT  
U.S. DEPARTMENT OF THE INTERIOR

The undersigned, as an operator of a lease offsetting the SE/4 of Section 36, Township 27 North, Range 13 West, NMPM, San Juan County, New Mexico, does hereby acknowledge receipt of the Application for Administrative Approval of Unorthodox Location for the Bengal C #5 Well.

The undersigned states that it waives any objection that it may have to this unorthodox location, and voluntarily consents to the location of the Bengal C #5 Well as stated in the above mentioned Application.

Dated this 28 day of June, 1977.

Company: \_\_\_\_\_

By: Robert L. Bayler

Title: \_\_\_\_\_

Address: P O Box 1541  
Farmington N Mex  
87901