

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF DUGAN PRODUCTION COMPANY
FOR APPROVAL OF THE SUNFLOWER FRUITLAND PICTURED
CLIFFS UNIT, SAN JUAN COUNTY, NEW MEXICO.**

CASE NO. 15435

PRE-HEARING STATEMENT

This Pre-Hearing Statement is submitted by Holland & Hart LLP as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Dugan Production Corporation
Attention: Kurt H. Fagrelus
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ATTORNEY

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STATEMENT OF CASE

Applicant seeks approval of its Sunflower Fruitland Pictured Cliffs Unit consisting of approximately 6,976.53 acres of the following Federal and State lands situated in San Juan County, New Mexico. The unitized interval is the stratigraphic equivalent of the top of the Fruitland Formation to the stratigraphic equivalent of the base of the Pictured Cliffs

Sandstone as shown in the Federal 12 #1 (API No. 30-045-25410) located in Section 12,
Township 24 North, Range 12 West, San Juan County, N.M.P.M.

PROPOSED EVIDENCE

APPLICANT

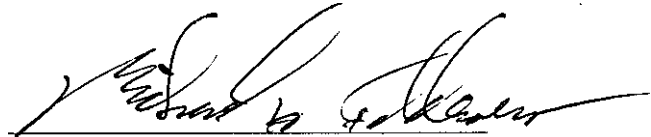
WITNESSES (Name and Expertise)	ESTIMATED TIME	EXHIBITS
Kurt H. Fagrelus (Geology)	Approx. 10 Minutes	Approx. 5

PROCEDURAL MATTERS

None at this time.

Respectfully submitted,

HOLLAND & HART LLP



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