

dugan production corp.

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

April 10, 2000

Case 12389

To: Royalty and Overriding Royalty Interest Owners (Address list attached)
Dugan Production Corp.'s **Com No. 1E** (A-2-29N-14W), **Com No. 2** (A-2-29N-14W),
Com No. 4 (C-2-29N-14W), **Federal I No. 99** (H-3-29N-14W), **Tabor Com No. 90** (H-35-
30N-14W), San Juan County, New Mexico

RE: Dugan Production Corp.'s Application dated 3/29/2000
Surface commingling and off-lease measurement - San Juan County, NM

Ladies and Gentlemen:

Enclosed are three amended pages for the above referenced application packet. These amendments are necessary due to changes on the interest percentages and owners in the Com No. 4. Please use the enclosed amended pages to replace the corresponding pages initially mailed to you.

Should you have any questions, need additional information or have any concern as to our proposal, please let me know. The NMOCD has scheduled our application for an examiner hearing beginning at 8:15 a.m. on 5/4/00. As an interest owner you may participate in this hearing and should you desire to do so, you should file a pre-hearing statement with the division by 4:00 p.m. on Friday April 28th, 2000 with a copy to Dugan Production. You may contact the NMOCD directly by phone @ 505/827-7131 or by mail at 2040 South Pacheco Street in Santa Fe, New Mexico 87505.

Sincerely,

John D. Roe
Engineering Manager

Enclosures
cc: NMOCD - Aztec and Santa Fe

ATTACHMENT NO. 4 - Pg 1 of 6 (Amended 4-6-00)
Interest Ownership Summary
Proposed Tabor Central Gathering System
Dugan Production Corp.
San Juan County, New Mexico

	<u>Com.No. 1E</u> (Details on Pg 2)	<u>Com.No. 2</u> (Details on Pg 3)	<u>Com.No. 4</u> (Details on Pg 4)	<u>Federal I No. 99</u> (Details on Pg 5)	<u>Tabor Com No. 90</u> (Details on Pg 6)
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	<u>WI</u>	<u>NI</u>	<u>WI</u>	<u>NI</u>	<u>WI</u>	<u>NI</u>	<u>WI</u>	<u>NI</u>
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Working Interest Owners

Dugan Production Corp.	93,684	81,366	100.00	79,888	100.00	78,710*	100.00	87.50	100.00	79,237
Conoco, Inc.	6,316	5,527	-0-							

Royalty Interest Owners

USA - Federal	-0-	3,158	-0-		-0-	3,097	-0-	12.50	-0-	9,492
State of New Mexico	-0-	7,763	-0-	12.50		9,403				
Rilla E. King	-0-	1,579								
Patricia Harbin	-0-	-0-							-0-	1,504
Muench Family Trust	-0-	-0-							-0-	1,504

Overriding Royalty Interest Owners

Number of Owners	8	9	13*	0	3
Total ORRI	0.608	7.612	8.790*	0	8.263
Detail on Page No.	2	3	4	5	6

TOTALS	100,000	100,000	100,000	100,000	100,000
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* - Interests amended

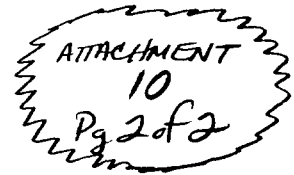
ATTACHMENT 4, Pg 4 of 6 (Amended 4-6-00)
Dugan Production Corp.
Com Well No. #4
Harper Hill Fruitland Sand PC
Well Location: NE/4 NW/4 Sec. 2-T29N-R14W
Spacing Unit: NW/4 Sec. 2-T29N-R14W - 157.95 Acres
San Juan County, NM

<u>INTEREST OWNER</u>	<u>INTEREST - %</u>	
	<u>Net</u>	<u>Gross</u>
<u>Working Interest</u>		
Dugan Production Corp.	78.709678*	100.00
<u>Royalty</u>		
State of New Mexico, State Land Office P.O. Box 1148 Santa Fe, NM 87504-1148	9.402501	0.00
USA - Bureau of Land Management 1235 LaPlata Hwy Farmington, NM 87401	3.097499	0.00
<u>Overriding Royalty</u>		
James A. & H.H. Borland 222 Fourteenth St., NW Albuquerque, NM 87104	2.395571*	0.00
Conoco, Inc. P.O. Box 201940 Houston, TX 77216-1940	2.374169	0.00
Marcia M. Daniels, c/o Clotilda M. Pope 5480 Wisconsin Ave., Suite 814 Chevy Chase, MD 20015	0.061428	0.00
Louise Adair McDougal Hadley 2 Bluff Road Swansboro, NC 28584	0.245711	0.00
Anne S. Henderson 7611 Maple Ave., Apt 811 Silver Spring, MD 20912	0.245711	0.00
Robin Thomas Henderson 5028 River Road Bethesda, MD 20016	0.061427	0.00
Russell Stewart Henderson, Jr. 5028 River Road Bethesda, MD 20016	0.061427	0.00
Elsye L. Kilgore Trust c/o Sunwest Trust Dept/Don Kerby P.O. Box 26900 Albuquerque, NM 87103	0.446347*	0.00
Lee W. Kilgore Trust c/o Sunwest Trust Dept/Don Kerby P.O. Box 26900 Albuquerque, NM 87103	0.446347*	0.00
Charles Alan McDougal 7928 Rooksley Ct. Raleigh, NC 27615	0.245711	0.00
Robert Bruce McDougal 6608 Penny Lane Bartlesville, OK 74006	0.245711	0.00
Clotilda M. Pope 5028 River Road Bethesda, MD 20816	0.061427	0.00
Texon Energy Corporation Dept. 1041 P.O. Box 4554 Houston, TX 77210-4554	1.899335*	0.00
WELL TOTAL	100.000000	100.00

* - Interest amended - Amendments also include removal of Dr. JoAnne Callan and Evko Development Co., plus addition of Texon Energy Corp. as ORRI owners.

Interest Owners - Address List
Proposed Tabor Gathering System -
Com No. 1E, Com No. 2, Com No. 4,
Federal I No. 99, Tabor Com 90
(Amended 4/6/00)

4/6/00



State of New Mexico, State Land Office
P.O. Box 1148
Santa Fe, NM 87504-1148

USA - Bureau of Land Management
1235 LaPlata Hwy
Farmington, NM 87401

James A. & H.H. Borland
222 Fourteenth St., NW
Albuquerque, NM 87104

Burlington Resources Oil & Gas
801 Cherry Street, Suite 700
Ft. Worth, TX 76102

Conoco, Inc.
P.O. Box 201940
Houston, TX 77216-1940

Conoco, Inc.
10 Conoco Plaza, 10 Desta Drive
Midland, TX 79705

Marcia M. Daniels
c/o Clotilda M. Pope
5480 Wisconsin Ave., Suite 814
Chevy Chase, MD 20015

Dugan Production Corp.
P.O. Box 420
Farmington, NM 87499

Louise Adair McDougal Hadley
2 Bluff Road
Swansboro, NC 28584

Patricia Harbin
6401 Glendora NE
Albuquerque, NM 87109

Anne S. Henderson
7611 Maple Ave., Apt 811
Silver Spring, MD 20912

Robin Thomas Henderson
5028 River Road
Bethesda, MD 20016

Russell Stewart Henderson, Jr.
5028 River Road
Bethesda, MD 20016

Winifred and Forrest Jacobs
1000 SW Santa Fe Lake Road
Towanda, KS 67144-9213

Elsye L. Kilgore Trust
c/o Sunwest Trust Dept/Don Kerby
P.O. Box 26900
Albuquerque, NM 87103

Lee W. Kilgore Trust
c/o Sunwest Trust Dept/Don Kerby
P.O. Box 26900
Albuquerque, NM 87103

Rilla E. King
P.O. Box 186
Dolores, CO 81325

Charles Alan McDougal
7928 Rooksley Ct.
Raleigh, NC 27615

Robert Bruce McDougal
6608 Penny Lane
Bartlesville, OK 74006

Joseph O. & Cicily M. Muench Family Trust
P.O. Box 779
Placitas, NM 87043

Linda Palley Richardson
11201 Canby Ave.
Northridge, CA 91326

Clotilda M. Pope
5028 River Road
Bethesda, MD 20816

Texon Energy Corp.
Dept. 1041, P.O. Box 4554
Houston, TX 77210-4554