

Mountain States Natural Gas
Attn: Albert J. Blair, Jr.
P.O. Box 35426
Tulsa, OK 74135

Mountain States Natural Gas
% W. Thomas Kellahin
P.O. Box 2265
Santa Fe, NM 87504-2265

Mesa Grande Resources
Attn: Greg Phillips
1200 Philtower Building
Tulsa, OK 74103

Margaret Hill
% Phillip Garner
5000 Thanksgiving Tower
Dallas, TX 75201

Alinda Hunt Hill Trust
% Phillip Garner
5000 Thanksgiving Tower
Dallas, TX 75201

Robert L. Bayless
P.O. Box 162
Farmington, NM 87499

Huntington T. Walker
621 17th Street, Suite 311
Denver, CO 80293

Kindermac Partners
650 So. Cherry, Suite 1225
Denver, CO 80222

MOCC /NMOCD Case No. <u>9251</u>
Hearing Date <u>11-4-87</u>
<u>Duggan</u>
Exhibit No. <u>4</u>

ILLEGIBLE

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

Show to whom delivered, date, and addressee's address. 2. Restricted Delivery †(Extra charge)†

Article Addressed to: <i>Mountain States Natural Gas Attn: Albert J. Blair Jr. PO Box 35426 Tulsa, OK 74135</i>	4. Article Number <i>P488637011</i>
Signature - Addressee <i>[Signature]</i>	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail
Signature - Agent <i>[Signature]</i>	Always obtain signature of addressee or agent and DATE DELIVERED.
Date of Delivery <i>9-28-87</i>	8. Addressee's Address (ONLY if requested and fee paid)

Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT

P-488 637 011
RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

Mountain States Natural
 Attn: Albert J. Blair
 P.O. Box 35426
 Tulsa, OK 74135

U.S.G.P.O. 153-506
Form 3800, June 1985

Postage	\$
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.70
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.01
Postmark or Date	<i>SEP 28 1987</i>

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

Show to whom delivered, date, and addressee's address. 2. Restricted Delivery †(Extra charge)†

Article Addressed to: <i>Mountain States Natural Gas % W. Thomas Kellakin PO Box 2265 Santa Fe, N.M. 87504-2265</i>	4. Article Number <i>P488637012</i>
Signature - Addressee <i>[Signature]</i>	Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail
Signature - Agent <i>[Signature]</i>	Always obtain signature of addressee or agent and DATE DELIVERED.
Date of Delivery	8. Addressee's Address (ONLY if requested and fee paid)

Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT

P-488 637 012
RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

Mountain States Natural
 W. Thomas Kellakin
 P.O. Box 2265
 Santa Fe, NM 87504-2265

PS Form 3800, June 1985

Postage	\$
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.70
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.01
Postmark or Date	<i>SEP 28 1987</i>

PS Form 3800, June 1985
DOMESTIC RETURN RECEIPT

reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

- 1. Show to whom, date and address of delivery.
- 2. Restricted Delivery.

3. Article Addressed to:
 Alinda Hunt Hill Trust
 % Phillip Garner
 5000 Thanksgiving Tower
 Dallas, TX 75201

4. Type of Service: Article Number
 Registered Insured P294 980 490
 Certified COD
 Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee
X

6. Signature - Agent
X *Shirley Furtak*

7. Date of Delivery
SEP 25 1987

8. Addressee's Address (ONLY if requested and fee paid)
Fee Not Paid
For Services Requested

P 294 980 490

RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

Alinda Hunt Hill Trust
% Phillip Garner
5000 Thanksgiving Tower
Dallas, TX 75201

Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.70
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark	SEP 25 1987

PS Form 3800, June 1985

PS Form 3800, June 1985
DOMESTIC RETURN RECEIPT

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

- 1. Show to whom, date and address of delivery.
- 2. Restricted Delivery.

3. Article Addressed to:
 Margaret Hill
 % Phillip Garner
 5000 Thanksgiving Tower
 Dallas, TX 75201

4. Type of Service: Article Number
 Registered Insured P294 980 491
 Certified COD
 Express Mail

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee
X

6. Signature - Agent
X *Shirley Furtak*

7. Date of Delivery
SEP 25 1987

8. Addressee's Address (ONLY if requested and fee paid)
Fee Not Paid
For Services Requested

P 294 980 491

RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

Margaret Hill
% Phillip Garner
5000 Thanksgiving Tower
Dallas, TX 75201

Postage	\$.39
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.70
Return Receipt showing to whom Date and Address of Delivery	
TOTAL Postage and Fees	\$ 1.84
Postmark	SEP 25 1987

PS Form 3800, June 1985

envelope to the right

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery
 †(Extra charge)† †(Extra charge)†

Article Addressed to:
*Mesa Grande Resources
 Attn: Greg Phillips
 1200 Philtower Bldg
 Tulsa, OK 74107*

4. Article Number
P 488 637 013

Type of Service:
 Registered Insured
 Certified COD
 Express Mail

Always obtain signature of addressee or agent and **DATE DELIVERED.**

8. Addressee's Address (ONLY if requested and fee paid)

Signature - Addressee
 Signature - Agent
J. L. Linn

Date of Delivery
9-28-87

Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT

**P-488 637 013
 RECEIPT FOR CERTIFIED MAIL**

NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

Mesa Grande Resources
 Attn: Greg Phillips
 1200 Philtower Building
 Tulsa, OK 74107

U.S. Postage \$

Postage	\$
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.70
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 2.01
Postmark or Date	

PS Form 3800, June 1985

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
 Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. 2. Restricted Delivery
 †(Extra charge)† †(Extra charge)†

Article Addressed to:
*Robert L. Bayless
 P.O. Box 168
 Farmington, N.M. 87499*

4. Article Number
P 488 637 014

Type of Service:
 Registered Insured
 Certified COD
 Express Mail

Always obtain signature of addressee or agent and **DATE DELIVERED.**

8. Addressee's Address (ONLY if requested and fee paid)

Signature - Addressee
 Signature - Agent
Robert L. Bayless

Date of Delivery
9-24-87

Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT

**P-488 637 014
 RECEIPT FOR CERTIFIED MAIL**

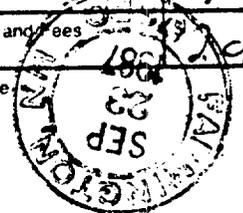
NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

Robert L. Bayless
 P.O. Box 168
 Farmington, NM 87499

U.S. Postage \$

Postage	\$
Certified Fee	.75
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	.70
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$ 1.45
Postmark or Date	

PS Form 3800, June 1985



and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. Restricted Delivery
 ↑(Extra charge)↑

3. Article Addressed to:
Huntington Walker
621 17th St, Suite 811
Denver, CO 80293

4. Article Number
P 488 637 015

Type of Service:
 Registered Insured
 Certified COD
 Express Mail

Always obtain signature of addressee or agent and **DATE DELIVERED**.

5. Signature - Addressee
 X

6. Signature - Agent
 X *Ben C. Burnett*

7. Date of Delivery
9/15/87

8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT

NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL
 (See Reverse)

Huntington T. Walker
 621 17th Street, Suite
 Denver, CO 80293

U.S.G.P.O. 157-504

PS Form 3800, June 1985

Postage	
Certified Fee	<i>1.75</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	<i>1.70</i>
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	<i>2.01</i>
Postmark or Date	

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. Restricted Delivery
 ↑(Extra charge)↑

Article Addressed to:
Kindermac Partners
650 So. Cherry, Suite 1225
Denver, CO 80222

4. Article Number
P 488 637 016

Type of Service:
 Registered Insured
 Certified COD
 Express Mail

Always obtain signature of addressee or agent and **DATE DELIVERED**.

Signature - Addressee

Signature - Agent
Scandie Martin

Date of Delivery

8. Addressee's Address (ONLY if requested and fee paid)

Form 3811, Mar. 1987 * U.S.G.P.O. 1987-178-268 DOMESTIC RETURN RECEIPT

P-488 637 016
 RECEIPT FOR CERTIFIED MAIL
 NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL

Kindermac Partners
 650 So. Cherry, Suite 12
 Denver, CO 80222

U.S.
 PS Form 3800, June 1985

Postage	
Certified Fee	<i>1.75</i>
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt showing to whom and Date Delivered	<i>1.70</i>
Return Receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	<i>2.01</i>
Postmark or Date	

ROBERT STOVALL
Attorney-at-Law
(505) 326-3359

P.O. Box 10021
Farmington, New Mexico 87499

Office
3005 Northridge Dr., Suite G

September 22, 1987

Robert L. Bayless
P.O. Box 168
Farmington, NM 87499

re: Dugan Production Corp.'s Evans Com #1 well
Section 21, T26N, R2W, N.M.P.M.
Rio Arriba County, New Mexico

Gentlemen:

Dugan Production Corp. is the owner of operating rights in oil and gas leases covering lands located in Section 21, Township 26 North Range 2 West, N.M.P.M., Rio Arriba County, New Mexico. Dugan is proposing to drill a well to the Mancos formation in said section.

Because this section is located within one mile of the Gavilan Mancos Oil Pool, it will become an extension of the pool upon completion of the well. The rules for the pool provide that the proration unit for a well drilled therein will be 640 acres consisting of a government survey section. According to Dugan's information, you are the owner of operating rights within the above section which will become part of the unit for the proposed well.

Dugan previously sent you an AFE and operating agreement to give you the opportunity to commit your working interest to the well. Because Dugan has not yet obtained the joinder of all working interest owners in the section, it is filing an application with the New Mexico Oil Conservation Division for compulsory pooling of the interests in the section. Enclosed is a copy of the application which has been filed, and this is your notice of that application. We are asking the Division to schedule the matter for Examiner Hearing on October 21, 1987.

If you commit your interest to the well by executing the AFE and Operating Agreement prior to the hearing, then your interest will not be force-pooled. If you do not join the

well prior to the hearing, then Dugan will force-pool your interest in accordance with the application. If all parties join prior to the hearing, Dugan will dismiss its application.

If you have any questions, please feel free to contact myself at the letterhead office, or contact Rich Corcoran, landman, or John Roe, petroleum engineer, at Dugan Production Corp., (505)325-1821.

Sincerely,

Robert G. Stovall

RGS:
enclosure
xc: Dugan Production