

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sayer
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



February 28, 2017

ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-560-D
Administrative Application Reference No. pKSC1703840327

Dugan Production Corporation
Attn: Mr. Kevin Smaka

Dugan Production Corporation (OGRID 6515) is hereby authorized to surface commingle gas production from diversely owned leases and wells identified in Attachment A, and made part of this order. These wells and leases produce from Basin Fruitland Coal (Gas) (Pool code 71629) and are located on Federal, State, and Navajo Allottee leases in Township 23 North, Range 10 and 11 West, and Township 24 North, Range 10, and 11 West, San Juan County, New Mexico.

Each well will be equipped with an individual gas meter for allocation purposes. Further, the five SWD wells shall have their own two-phase separator, in which the gas production will be allocated back to each well based on the ratio of water produced for each well versus the total water produced for all of the wells that are serviced by that SWD. Gas that has passed through the well meters will be commingled in operator's Sesamee Street Gathering System, and will be again measured, and sold, at two central delivery points on Enterprise Field Services sales meters, one located in the Unit K of Section 30, Township 25 North, Range 10 West, and another located in the Unit J of Section 2, Township 24 North, Range 10 West.

The operator shall notify the transporter of this commingling authority.

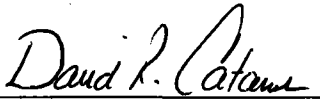
For future additions of wells and leases to this commingling operation, notice shall only be given to those interest owners in the wells and leases to be added, in accordance with Division Rule 19.15.12.10 C (4) (g) NMAC.

This Division Order supersedes Division Order CTB-560-C, issued November 18, 2015. This amended application adds new wells and leases primarily located within and surrounding the PGA Unit, and other wells and leases as shown on Amendment A.

The operator shall notify the Aztec district office of the Division upon commencement of commingling operations.

This approval is subject to like approval from the **Bureau of Land Management** and **New Mexico State Land Office** before commencement of the commingling operations.

Done at Santa Fe, New Mexico, on February 28, 2017.



DAVID R. CATANACH
Director

DRC/mam

cc: Oil Conservation Division District Office – Aztec
United States Bureau of Land Management - Farmington
New Mexico State Land Office – Oil, Gas, and Minerals

Well Name	API #	Surface Location			Communitization Agreement No. (If Established)	Current Average Production ②		Spacing Unit
		¼¼	Sec-Twn-Rng	Lease No.		MCFD	BWPD	
WELLS TO BE ADDED (68 WELLS/LOCATIONS)								
Bolt 1		SENW	10-23N-10W	NM120380				W/2-320A
Clay 1		NWNW	27-23N-10W	NM109403				N/2-320A
Coffee 1		NESE	21-23N-11W	NM117578				S/2-320A
Flats 1		NE	6-23N-11W	NM119288				N/2-320A
Juniper West 31 #31 Note 9	35374	NWNE	31-24N-11W	V08078				E/2NW/4 & NE/4-240A
Kinbeto 15 3 Note 11	35411	NESW	15-23N-10W	NM109403				S/2-320A
Kinbeto 16 3 Note 11	35384	NWSW	16-23N-10W	V08066				S/2-320A
Split Lip 1	35765	SESE	32-24N-11W	V8985				S/2-320A
PGA Unit 2 #2 Note 8	34733	NWNW	2-23N-11W	VA2965				N/2-319.36A
PGA Unit 2 #4 Note 8	35468	NESE	2-23N-11W	VA2965				S/2-320A
PGA Unit 3 #1 Note 8	35410	NWNE	3-23N-11W	NM109404				N/2-319.17A
PGA Unit 16 #2 Note 8	34696	NWNW	16-23N-11W	VA2966				N/2-320A
PGA Unit 34 #3 Note 8	35540	SWSW	34-24N-11W	NM109407				W/2-320A
PGA Unit 35 #3 Note 8	35409	SESW	35-24N-11W	NM109407				W/2-320A
PGA Unit Location A		SW	21-24N-11W	NM112959				SW/4SW/4, E/2 SW/4 & SE/4-21
PGA Unit Location B		SE	21-24N-11W	NM112959				SW/4SW/4, E/2 SW/4 & SE/4-21
PGA Unit Location C		SW	22-24N-11W	NM109405				S/2-320A
PGA Unit Location D		NW	28-24N-11W	NM112959				N/2-320A
PGA Unit Location E		NE	28-24N-11W	NM112959				N/2-320A
PGA Unit Location F		NW	27-24N-11W	NM109406				N/2-320A
PGA Unit Location G		NE	27-24N-11W	NM109406				N/2-320A
PGA Unit Location H		NW	25-24N-11W	NM109406				W/2-320A
PGA Unit Location I		SW	28-24N-11W	NM112959				S/2-320A
PGA Unit Location J		SE	28-24N-11W	NM112959				S/2-320A
PGA Unit Location K		SW	27-24N-11W	NM109406				S/2-320A
PGA Unit Location L		SE	27-24N-11W	NM109406				S/2-320A
PGA Unit Location M		SW	26-24N-11W	NM109406				S/2-320A
PGA Unit Location N		SE	26-24N-11W	NM109406				S/2-320A
PGA Unit Location O		SW	25-24N-11W	NM109406				W/2-320A
PGA Unit Location P		NW	33-24N-11W	V08078				N/2-320A
PGA Unit Location Q		NE	33-24N-11W	V08078				N/2-320A
PGA Unit Location R		NW	34-24N-11W	NM109407				W/2-320A
PGA Unit Location S		NE	34-24N-11W	NM109407				E/2-320A
PGA Unit Location T		NW	35-24N-11W	NM109407				W/2-320A
PGA Unit Location U		NE	35-24N-11W	NM109407				E/2-320A
PGA Unit Location V		SW	33-24N-11W	V08078				S/2-320A
PGA Unit Location W		SE	33-24N-11W	V08078				S/2-320A
PGA Unit Location X		SE	34-24N-11W	NM109407				E/2-320A
PGA Unit Location Y		SE	35-24N-11W	NM109407				S/2-320A
PGA Unit Location Z		NW	4-23N-11W	NM112958				N/2-320A
PGA Unit Location AA		NE	4-23N-11W	NM112958				N/2-320A
PGA Unit Location AB		NW	3-23N-11W	NM109404				N/2-320A
PGA Unit Location AC		NE	2-23N-11W	V08067				N/2-319.36A
PGA Unit Location AD		SW	4-23N-11W	NM112958				S/2-320A
PGA Unit Location AE		SE	4-23N-11W	NM112958				S/2-320A
PGA Unit Location AF		SW	3-23N-11W	NM109404				S/2-320A
PGA Unit Location AG		SE	3-23N-11W	NM109404				S/2-320A
PGA Unit Location AH		SW	2-23N-11W	VA2965				S/2-320A
PGA Unit Location AI		NW	9-23N-11W	NM112958				N/2-320A
PGA Unit Location AJ		NE	9-23N-11W	NM112958				N/2-320A
PGA Unit Location AK		NW	10-23N-11W	NM109404				N/2-320A
PGA Unit Location AL		NE	10-23N-11W	NM109404				N/2-320A
PGA Unit Location AM		SW	8-23N-11W	NM112958				S/2-320A
PGA Unit Location AN		SE	8-23N-11W	NM112958				S/2-320A
PGA Unit Location AO		SW	9-23N-11W	NM112958				S/2-320A
PGA Unit Location AP		SE	9-23N-11W	NM112958				S/2-320A
PGA Unit Location AQ		SW	10-23N-11W	NM109404				S/2-320A
PGA Unit Location AR		SE	10-23N-11W	NM109404				S/2-320A
PGA Unit Location AS		NE	16-23N-11W	VA2966				N/2-320A
PGA Unit Location AT		SW	16-23N-11W	VA2959				S/2-320A
PGA Unit Location AU		SE	16-23N-11W	VA2959				S/2-320A
SSGS Loc O		SW	32-24N-11W	V8985				S/2-320A
SSGS Loc P		NE	32-24N-11W	V8985				E/2-320A
SSGS Loc Q		NW	6-23N-11W	NM119288				N/2-320A
SSGS Loc S		SW	6-23N-11W	NM119288				S/2-320A
SSGS Loc T		SE	6-23N-11W	NM119288				S/2-320A
SSGS Loc U		NW	7-23N-11W	NM119288				N/2-320A
SSGS Loc V		NE	7-23N-11W	NM119288				N/2-320A

WELLS APPROVED FOR SYSTEM (147 WELLS)									
Adam Com 90		33348	NENW	19-23N-10W	NM96799	NMNM116512	237	63	W/2-320.08A
Adam Com 91		35694	SW	19-23N-10W	NM96799	NMNM116512			W/2-320.08A
Ben Com 90		33347	SESE	18-23N-10W	NM96799	NMNM116733	21	2	E/2-320A
Ben Com 90S			NE	18-23N-10W	NM86485	NMNM116733			E/2-320A
Bert Com 90		32714	SWSE	2-24N-11W	NM39017	NMNM112857	31	38	E/2-321.22A
Bert Com 90S		32924	NSENE	2-24N-11W	NO-G-0502-1718	NMNM112857	6	23	E/2-321.22A
Biff 90		33455	NESW	20-24N-10W	NM43442		17	46	W/2-320A
Biff 90S		33454	NENW	20-24N-10W	NM43442		10	24	W/2-320A
Biff 91		33546	NENE	20-24N-10W	NM43442		51	51	E/2-320A
Biff 91S		33481	NESE	20-24N-10W	NM43442		11	52	E/2-320A
Bonanza 90		33067	NWNW	26-23N-11W	NM96802		47	19	W/2-320A
Bonanza 90S			SW	26-23N-11W	NM96802				W/2-320A
Bonanza 91		33066	NENE	26-23N-11W	NM96802		136	35	E/2-320A
Bonanza 91S			SE	26-23N-11W	NM96802				E/2-320A
Bonanza Com 92		33312	SWNE	24-23N-11W	NM96802	NMNM119988	69	23	N/2-320A
Bonanza Com 92S		33319	SENW	24-23N-11W	NM36952	NMNM119988	2	66	N/2-320A
Calgary 90		34232	NENE	6-23N-10W	NM32124		66	69	E/2-319.52A
Calgary 90S		34215	SESE	6-23N-10W	NM32124		62	85	E/2-319.52A
Calgary 91		34216	SESW	6-23N-10W	NM32124		74	75	W/2-317.2A
Calgary 91S		34217	SENW	6-23N-10W	NM32124		60	95	W/2-317.2A
Cartwright Com 90		33349	NENE	19-23N-10W	NM96799	NMNM119327	87	33	E/2-320A
Cartwright Com 91		35699	SE	19-23N-10W	NM86485	NMNM119327			E/2-320A
Champ 90		34219	NWNE	5-23N-10W	NM42059		61	90	E/2-320.14A
Champ 90S		34233	SESE	5-23N-10W	NM42059		44	46	E/2-320.14A
Champ 91		34220	SESW	5-23N-10W	NM42059		81	134	W/2-319.62A
Champ 91S		34218	NWNW	5-23N-10W	NM42059		43	67	W/2-319.62A
Clementine Com 90		34015	SESW	27-24N-10W	NM21741	NMNM112614	17	53	S/2-320A
Clementine Com 90S		34017	SESE	27-24N-10W	NM112956	NMNM112614	35	35	S/2-320A
Dinger 90		34020	NWSE	28-24N-10W	NM21741		23	56	S/2-320A
Dinger 90S		34019	NWSW	28-24N-10W	NM21741		13	35	S/2-320A
Elmo Com 90		32704	SENW	11-24N-11W	NM17015	NMNM110561	15	31	N/2-320A
Elno Com 90S		32925	SWNE	11-24N-11W	NO-G-0502-1719	NMNM110561	32	18	N/2-320A
Ernie Com 90		32919	NWNE	1-24N-11W	NO-G-0502-1717	NMNM112582	66	69	E/2-321.72A
Ernie Com 90S		32703	SWSE	1-24N-11W	NM39017	NMNM112582	7	24	E/2-321.72A
Flo Jo 90		33381	SWNE	13-23N-11W	NM36952		85	27	E/2-320A
Flo Jo 90S		33345	NWSE	13-23N-11W	NM36952		44	64	E/2-320A
Flo Jo 91		33344	NWSW	13-23N-11W	NM36952		57	11	W/2-320A
Flo Jo 91S		33327	SWNW	13-23N-11W	NM36952		69	22	W/2-320A
Flo Jo 92	Note 5	34516	NWNE	1-23N-11W	NM36952		40	37	N/2-320.28A
Flo Jo 93	Note 5	34517	NWNW	1-23N-11W	NM36952		180	81	N/2-320.28A
Flo Jo 94	Note 5	34522	SWSW	1-23N-11W	NM36952		84	74	S/2-320A
Flo Jo 95	Note 5	34529	NWSE	1-23N-11W	NM36952		54	63	S/2-320A
Frazzle Com 90		33483	NESW	30-24N-10W	NM78060	NMNM110560	45	36	W/2-313.44A
Frazzle Com 90S		33482	NENW	30-24N-10W	NM134598 ⑩	NMNM110560	39	47	W/2-313.44A
Frazzle Com 91		33480	NENE	30-24N-10W	NM134598 ⑩	NMNM118636	88	48	E/2-320A
Frazzle Com 91S		33479	NESE	30-24N-10W	NM78060	NMNM118636	47	43	E/2-320A
Gold Medal 90		34227	SESW	31-24N-10W	NM22044		46	74	W/2-314.40A
Gold Medal 90S		34221	NENW	31-24N-10W	NM22044		15	101	W/2-314.40A
Gold Medal 91		34225	NENE	31-24N-10W	NM22044		6	140	E/2-320A
Gold Medal 91S		34226	SESE	31-24N-10W	NM22044		40	127	E/2-320A
Gold Medal 92		34231	NENE	33-24N-10W	NM22044		59	80	N/2-320A
Gold Medal 92S		34222	NWNNW	33-24N-10W	NM22044		102	62	N/2-320A
Gold Medal 93		34224	SWSW	33-24N-10W	NM22044		62	67	S/2-320A
Gold Medal 93S		34223	NESE	33-24N-10W	NM22044		80	78	S/2-320A
Gold Medal 94		34229	SWNE	34-24N-10W	NM22044		41	64	N/2-320A
Gold Medal 94S		34230	NWNNW	34-24N-10W	NM22044		44	73	N/2-320A
Helsinki Com 90	Note 5	35685	SESW	9-23N-10W	NM36951	NMNM134509			S/2-320A
Helsinki Com 91	Note 5	35686	SWSE	9-23N-10W	NM51005	NMNM134509			S/2-320A
Herry Monster 90		32708	NESW	11-24N-11W	NM17015		184	53	S/2-320A
Herry Monster 90S		32713	SWSE	11-24N-11W	NM17015		73	57	S/2-320A
Herry Monster 91		32706	NESW	12-24N-11W	NM17015		11	21	S/2-320A
Herry Monster 91S		32709	NWSE	12-24N-11W	NM17015		65	39	S/2-320A
Homer Com 90		33456	NESW	29-24N-10W	NM21741	NMNM118422	94	59	W/2-320A
Homer Com 90S		33527	NENW	29-24N-10W	NM134598 ⑩	NMNM118422	27	43	W/2-320A
Homer Com 91		33526	SENE	29-24N-10W	NM134598 ⑩	NMNM118445	17	33	E/2-320A
Homer Com 91S		33457	SESE	29-24N-10W	NM21741	NMNM118445	46	56	E/2-320A
Hop Sing 1	Note 4	29378	NWNE	27-23N-11W	NM65528		127	78	N/2-320A
Hop Sing 1S			NW	27-23N-11W	NM65528				N/2-320A
Hoss Com 90	Note 4	31360	NENE	11-23N-11W	NM96800	NMNM108255	52	48	E/2-320A
Hoss Com 90S		34521	SESE	11-23N-11W	NM90482	NMNM108255	135	36	E/2-320A
Hoss 91	Note 4	33069	SESE	22-23N-11W	NM96800		218	141	E/2-320A
Hoss 91S	Note 4	33070	SENE	22-23N-11W	NM96800		81	29	E/2-320A
Hoss 92	Note 4	33068	SESW	22-23N-11W	NM96800		147	282	W/2-320A
Hoss 92S		35697	NENW	22-23N-11W	NM96800				W/2-320A
Hoss Com 93	Note 5	34535	NWNNW	11-23N-11W	NM96800	NMNM123996	74	47	W/2-320A
Hoss Com 94	Note 5	34536	SWSW	11-23N-11W	NM90482	NMNM123996	56	75	W/2-320A
Hoss Com 95	Note 5	34537	NWSE	12-23N-11W	NM96800	pending	127	75	E/2-320A
Hoss Com Loc A	Note 5		NE	12-23N-11W	NM80498	pending			E/2-320A
Hoss Com 96	Note 5	34601	SWSW	12-23N-11W	NO-G-0311-1696	pending	111	38	W/2-320A
Hoss Com 97	Note 5	34534	SWNW	12-23N-11W	NM80498	NMNM123307	107	66	W/2-320A
Jim Thorpe Com 90	Note 5	35684	SWNE	3-23N-10W	NOO-C-14-20-5825	NMNM112674			N/2-319.60A
Jim Thorpe Com 91	Note 5	35277	SENW	3-23N-10W	NOO-C-14-20-7307	NMNM112674	343	52	N/2-320A
Kermit Com 90		32707	SENW	12-24N-11W	NM17015	NMNM104900	59	39	N/2-320A
Kinbeto Com 90		35695	NWNE	30-23N-10W	NM13956	NMNM134510			E/2-320A
Kinbeto Com 90 infill			SE	30-23N-10W	NM36951	NMNM134510			E/2-320A
Kinbeto Com 91		35695	NENW	30-23N-10W	NM13956	NMNM134523	43	24	W/2-320.72A
Kinbeto Com 91 infill			SW	30-23N-10W	NM119287	NMNM134523			W/2-320.72A
Little Joe Com 90		33317	SENE	14-23N-11W	NM96800	NMNM119377	89	118	E/2-320A
Little Joe Com 90S		33310	NWSE	14-23N-11W	NM90482	NMNM119377	252	93	E/2-320A
Little Joe 91		33311	SWSW	14-23N-11W	NM90482		50	109	W/2-320A
Little Joe 91S		33318	SWNNW	14-23N-11W	NM90482		39	13	W/2-320A
Marathon Com 90	Note 5	34570	NENE	4-23N-10W	NOO-C-14-20-7308	NMNM121673	67	6	N/2-320.96A
Marathon Com 91	Note 5	34539	NWNNW	4-23N-10W	NOO-C-14-20-7309	NMNM121673	8	19	N/2-320.96A
Martinez Begay Com 1	Note 5	34983	SESE	34-24N-10W	NO-G-0905-1759	NMNM112624	108	21	S/2-320A
Martinez Begay Com 2	Note 5	34923	SESW	34-24N-10W	NO-G-0902-1754	NMNM112624	17	10	S/2-320A
Mary Lou 90	Note 4	28026	SWSW	32-24N-10W	V1509		28	103	S/2-320A
Mary Lou 90S	Note 4	31695	NWSE	32-24N-10W	V1509		31	77	S/2-320A
Mary Lou Com 91	Note 4	31694	SENE	32-24N-10W	V1509	State	173	90	N/2-320A
Mary Lou Com 91S	Note 4	31696	SENW	32-24N-10W	V1509	State	6	118	N/2-320A
Olympic 90	Note 5	35272	SESW	3-23N-10W	NM23744		203	94	S/2-320A
Olympic 91	Note 5	35280	SWSE	3-23N-10W	NM23744		378	73	S/2-320A
Phoebe Com 90		34053	NWNNW	22-24N-10W	NM100808	NMNM119013	15	3	N/2-320A
Phoebe Com 90S		34023	NENE	22-24N-10W	NM15654	NMNM119013	9	62	N/2-320A
Pierre Com 90	Note 4	33056	SWSW	23-23N-11W	NM80498	NMNM121634	256	38	W/2-320A
Pierre Com 90S	Note 4	33058	SENW	23-23N-11W	NM36952	NMNM121634	98	132	W/2-320A
Pierre Com 91	Note 4	33071	NWSE	23-23N-11W	NM80498	NMNM122057	315	47	E/2-320A
Pierre Com 91S	Note 4	33057	SENE	23-23N-11W	NM36952	NMNM122057	170	59	E/2-320A
Ponderosa Com 90		33346	NWSW	18-23N-10W	NM96799	NMNM119328	4	11	W/2-320.08A
Ponderosa Com 90S			NW	18-23N-10W	NM86485	NMNM119328			W/2-320.08A
Road Runner 90	Note 4 & 5	28027	NESW	36-24N-11W	V2364		5	23	S/2-320A
Road Runner 91	Note 5	34525	SWSE	36-24N-11W					

Rodeo Rosie 90	34052	NWSW	22-24N-10W	NM134598 (10)		10	14	S/2-320A
Rodeo Rosie 90S	34014	SESE	22-24N-10W	NM134598 (10)		67	52	S/2-320A
Sesamee Street 90	32702	NWSW	1-24N-11W	NM39017		24	24	W/2-332.48A
Sesamee Street 90S	33189	NENW	1-24N-11W	NM39017		1	1	W/2-332.48A
St. Louis Com 90 Note 5	35278	NWNE	9-23N-10W	NOO-C-14-20-7312	NMNM112675	105	30	N/2-320A
St. Louis Com 91 Note 5	35273	NWNW	9-23N-10W	NOO-C-14-20-7313	NMNM112675	406	42	N/2-320A
Squaw Valley Com 90 Note 5	34561	SESW	4-23N-10W	NOO-C-14-20-7310	NMNM124303	84	11	S/2-320A
Squaw Valley Com 91 Note 5	34577	SESE	4-23N-10W	NOO-C-14-20-7311	NMNM124303	6	0	S/2-320A
St. Moritz Com 90	35282	SESW	26-24N-10W	NM78060	NMNM112657	28	38	S/2-320A
St. Mortiz Com 90 infill		SE	26-24N-10W	NM78060	NMNM112657			S/2-320A
St. Moritz Com 91	35285	NWNW	26-24N-10W	NM78060	NMNM112658	19	47	N/2-320A
St. Mortiz Com 91 infill		NE	26-24N-10W	NM78060	NMNM112658			N/2-320A
Will 1	35698	NWNE	15-23N-11W	NM119289		253	69	E/2-320A
Will 2	35691	NESE	15-23N-11W	NM119289				E/2-320A
Will 3	35692	NWNW	15-23N-11W	NM119289				W/2-320A
Will 4	35693	NESW	15-23N-11W	NM119289				W/2-320A
Twiddlebug Com 90	34016	NWNW	27-24N-10W	NM134598 (10)	NMNM103018	83	36	N/2-320A
Twiddlebug Com 90S	34018	NENE	27-24N-10W	NM112956	NMNM103018	123	51	N/2-320A
Zoe 90	33452	NESW	19-24N-10W	NM43442		8	23	W/2-311.56A
Zoe 90S	33451	NENW	19-24N-10W	NM43442		16	56	W/2-311.56A
Zoe 91	33450	NENE	19-24N-10W	NM43442		16	52	E/2-320.0A
Zoe 91S	33453	NESE	19-24N-10W	NM43442		94	55	E/2-320A
SSGS Loc C		NW	17-23N-10W	NM51005				N/2-320A
SSGS Loc D		NE	17-23N-10W	NM51005				N/2-320A
SSGS Loc E		SW	17-23N-10W	NM51005				S/2-320A
SSGS Loc F		SE	17-23N-10W	NM51005				S/2-320A
SSGS Loc G		NW	20-23N-10W	NM42740				N/2-320A
SSGS Loc H		NE	20-23N-10W	NM42740				N/2-320A
SSGS Loc I		SW	20-23N-10W	NM42740				S/2-320A
SSGS Loc J		SE	20-23N-10W	NM42740				S/2-320A
SSGS Loc K		NW	29-23N-10W	NM42740				N/2-320A
SSGS Loc L		NE	29-23N-10W	NM42740				N/2-320A
SSGS Loc M Com		SW	29-23N-10W	NM42740				S/2-320A
SSGS Loc N Com		SE	29-23N-10W	NM42740				S/2-320A

Well Name	API #	Surface Location			Communitization Agreement No. (If Established)	Current Average Production Q		Spacing Unit
		XX	Sec-Twn-Rng	Lease No.		MCFD	BWPD	
SWD WELLS/Pool (5 WELLS)								
Flo Jo 8 SWD; Entrada SWD	33320	NENE	23-23N-11W	NM36952				
Frazzle 1 SWD; Entrada SWD	33865	NENW	30-24N-10W	NM15654				
Herry Monster 3 SWD; Entrada SWD	33217	SENW	11-24N-11W	NM17015				
Mary Lou 1 SWD; Mesaverde SWD	26460	NENE	32-24N-10W	V1509				
St Moritz 2 SWD; Entrada SWD	35281	NWSE	26-24N-10W	NM78060				

Notes:

N/A - Not applicable or not needed

NR - None Reported

1 - Status of well 1/16/17

Loc = proposed general location

LOC A = proposed location - staked

LOC B = proposed location - APD submitted

NC = not connected to gathering system

P = producing, includes wells temporarily shut in but able to produce

WOC = well drilled and casing cemented but not completed. Waiting on securing a gas sales connection.

2 - Production during July, 2016.

3 - The Sesamee Street Gas Gathering System currently has 147 wells or locations approved for surface commingling and off-lease measurement & sale of gas at two c (CDP 1) located in NESW (Unit K), Section 30, T-25N, R-10W on Enterprise Field Service Lateral 10A-1 at Enterprise Meter No. 86238. (CDP 2) located in NWSE (Unit J), Section 2, T-24N, R-10W on Enterprise Field Services Lateral 10A-2 at Enterprise Meter No. 91083. Current regulatory approvals: BLM - 12/26/12 NMSLO - 12/10/12 NMOCD - 12/21/12 - Commingling Order CTB-560-B

4 - Well was initially approved for operation on the Goodtimes Gathering System and upon completion of expansions to the Sesamee Street Gathering System, was transferred from the Goodtimes to the Sesamee Street Gathering System on 6/13/07 (14 wells, Hop Sing 1, Hoss Com 90, Hoss 91, 91S & 92, Mary Lou 90 & 90S, Mary Lou Com 91 & 91S, Pierre Com 90, 90S, 91 & 91S, Road Runner 90).

5 - During 11/07, Dugan Production changed from using the letter "S" to designate a well as being a Fruitland Coal infill and initiated using unique numbers for each well. The wells using unique numbering and sharing a common spacing unit are;

Wells	Common Spacing Unit	Wells	Common Spacing Unit
Flo Jo 92 & 93	N/2 1-23N-11W	Marathon Com 9	N/2 4-23N-10W
Flo Jo 94 & 95	S/2 1-23N-11W	Martinez Begay CS/2	34-24N-10W
Helsinki Com 90 & 91	S/2 9-23N-10W	Olympic 90 & 91	S/2 3-24N-11W
Hoss Com 93 & 94	W/2 11-23N-11W	Road Runner 90	S/2 36-24N-11W
Hoss Com 95 & Infill	E/2 12-23N-11W	Road Runner 92	N/2 36-24N-11W
Hoss Com 96 & 97	W/2 12-23N-11W	Squaw valley ConS/2	4-23N-10W
Jim Thorpe Com 90 & 91	N/2 3-24N-10W	St. Louis Com 90	N/2 9-23N-10W

6 - NMOCD Administrative Order authorizing water disposal by underground injection: Flo Jo 8 SWD (SWD-1006), Frazzle 1 SWD (SWD-1048), Herry Monster 3 SWD (SWD-994), Mary Lou 1 SWD (SWD-884-B), St. Moritz 2 SWD (SWD-1318).

7 - A completion report for the Split Lip #1 was submitted on 6/29/16. This well is waiting to be connected by pipeline to the gathering system. Due to a pending right

8 - PGA Unit wells; unit approved by BLM 8/27/12, agreement number NMNM128992X, effective 6/1/12; NMSLO approved 8/29/12. DPC acquired as of 11/1/16; ope pending NMOCD C-145 approval.

9 - Juniper West 31 #31 acquired effective 11/1/16; operator change to DPC pending NMOCD C-145 approval which included PGA Unit wells and Juniper West 31 #31

10 - A portion of the lands involved in lease NM15654 have been committed to a unit agreement and the lease segregated. The lands committed to the unit agreeeme

11 - Kinbeto 15 #3 & 16 #3 acquired effective 10/1/15, OCD approved 1/26/16.

Assume all production from Basin Fruitland Coal unless otherwise stated