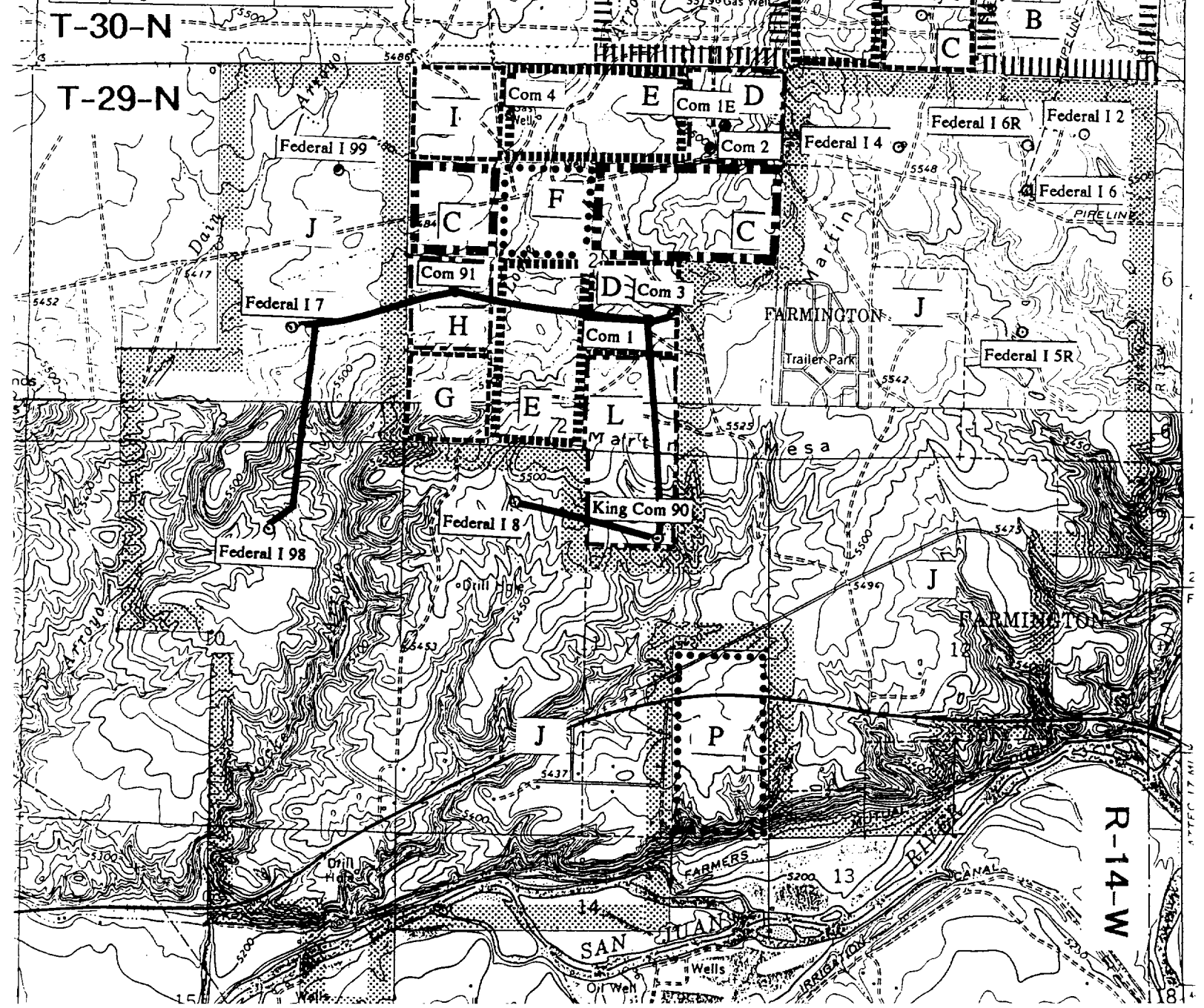


Dugan Production Corp
King Gathering System
San Juan County, N-Mexico

Lease Key		
Letter	Lease Name	Lease No.
A	Camp David	VA-310
B	Camp David Com	E-3149
C	Com/O Henry	E-6714
D	Com Lease 2	LG-3736
E	Com Lease 3	B-11242
F	Com Lease 4	E-2526-9
G	Com Lease 5	E-3555-8
H	Com Lease 6	V-5411
I	Com Lease 7	NM-101992
J	Federal I	SF-078110
K	Jiggs	NM-0206995
L	King	Fee
M	Stella Needs a Com	B-011571
N	Tabor	NM-33051
O	Winifred	Fee
P	King Com	Fee



**ATTACHMENT NO. 2
DUGAN PRODUCTION CORP.
PROPOSED KING GAS GATHERING SYSTEM & CDP
SAN JUAN COUNTY, NEW MEXICO**

Well Name	API Number	Well Location			CA Number	Pool	Completion Date	Current Prod.		Spacing Unit	
		Unit	Sec-Twn-Rng	Lease No.				Lease Type	MCFD		BWPD
WELLS PREVIOUSLY APPROVED FOR SYSTEM											
Com #1	30-045-08722	J	2-29N-14W	LG-3736	State	NMNM91272	Basin Fruitland Coal	12/1/90	301 (2)	80 (2)	E/2-316.65A
Com #3	30-045-23267	J	2-29N-14W	LG-3736	State	SMR1419	Harper Hill FR Sand PC	3/14/79	2 (2)	.03 (2)	SE/4-160A
King Com #90	30-045-29883	B	11-29N-14W		Fee	NMNM102963	Basin Fruitland Coal	6/15/99	0 (3)	0 (3)	E/2-320.13A
WELLS TO BE ADDED TO SYSTEM											
Com #91	30-045-29935	L	2-29N-14W	V-5411	State	pending	Basin Fruitland Coal	12/6/99	0 (4)	0 (4)	W/2-317.95A
Federal I #7	30-045-30181	J	3-29N-14W	SF-078110	Federal	N/A	Harper Hill FR Sand PC	Location	0	0	SE/4-160A
Federal I #8	30-045-30178	C	11-29N-14W	SF-078110	Federal	N/A	Harper Hill FR Sand PC ext.	Note (1)	0	0	NW/4-160A
Federal I #98	30-045-30180	B	10-29N-14W	SF-078110	Federal	N/A	Basin Fruitland Coal	Location	0	0	E/2-320A

Notes:

N/A - Not needed

Note (1) - Not completed - well spudded 5-23-2000.

Note (2) - Average during April 2000. Cumulative production 5-1-2000: Com No. 1 = 154,995 MCF; Com No. 3 = 78,284 MCF.

Note (3) - Well is shut in waiting on pipeline ROW. Production testing 8/99 = 24 MCFD + 19 BWPD.

Note (4) - Well is shut in waiting on rod pump installation. Production testing 4/2000 = 225 MCFD + 175 BWPD.

c:\t\johnroelkingggs\kingat2

Submit to appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Attachment
No. 3
Pg 1 of 7

Operator DUGAN PRODUCTION CORP.			Lease Com		Well No. 1
Unit Letter J	Section 2	Township 29 North	Range 14 West	Country San Juan	
Actual Footage Location of Well: 1750 feet from the South line and 1820 feet from the East line					
Ground level Elev. 5516'	Producing Formation Fruitland Coal		Pool Basin Fruitland Coal		Dedicated Acreage: 316.65 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.

2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

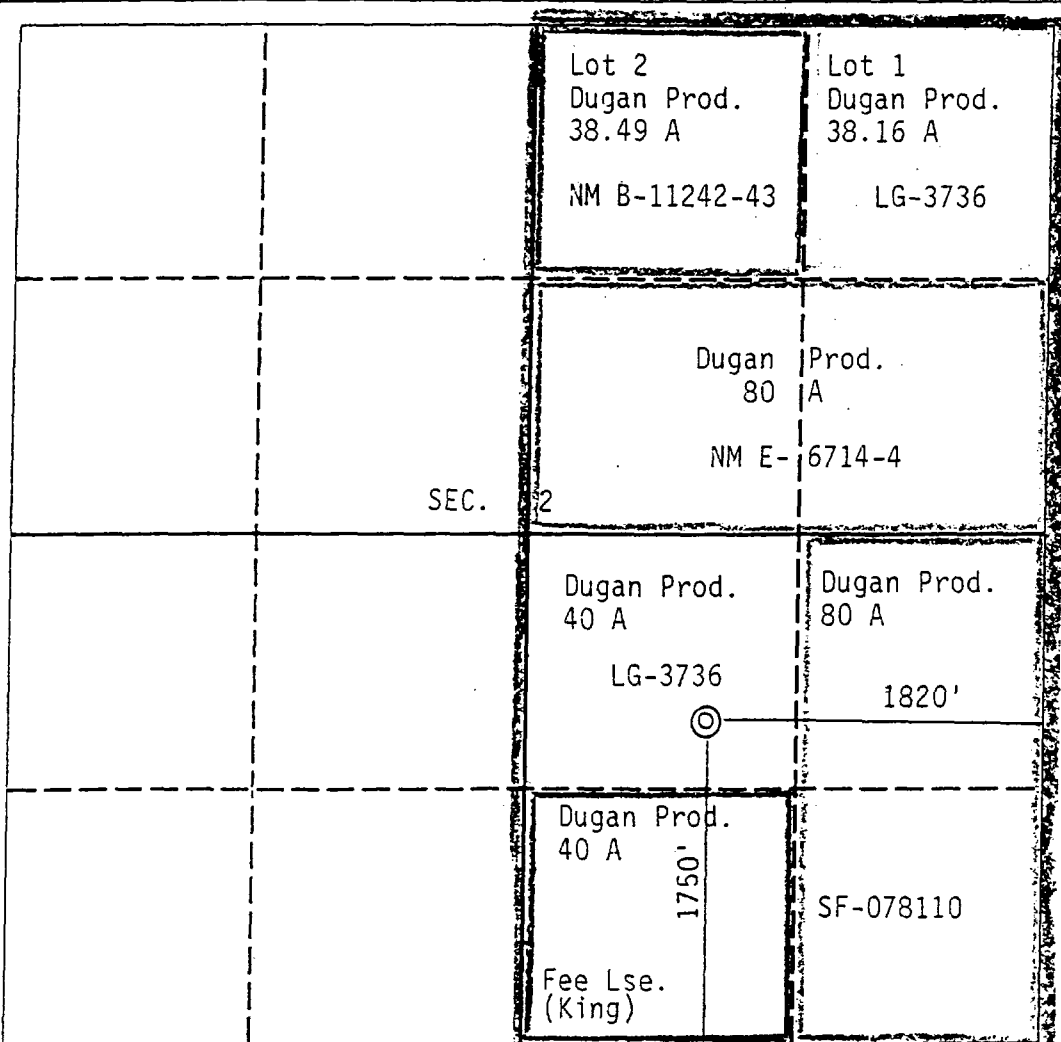
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☒ Yes ☐ No If answer is "yes" type of consolidation

NSL-3826

If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) C.A. Agrmt #NMNM 91272, approved 1/18/94, effective 12/1/90

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Jim L. Jacobs

Position

Vice President

Company

Dugan Production Corp.

Date

3/7/94

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

3-21-61

Signature & Seal of
Professional Surveyor

Original signed survey
plat by James P. Leese
is on file.

Certificate No.

1463

Attachment
No. 3
Pg 2 of 7

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

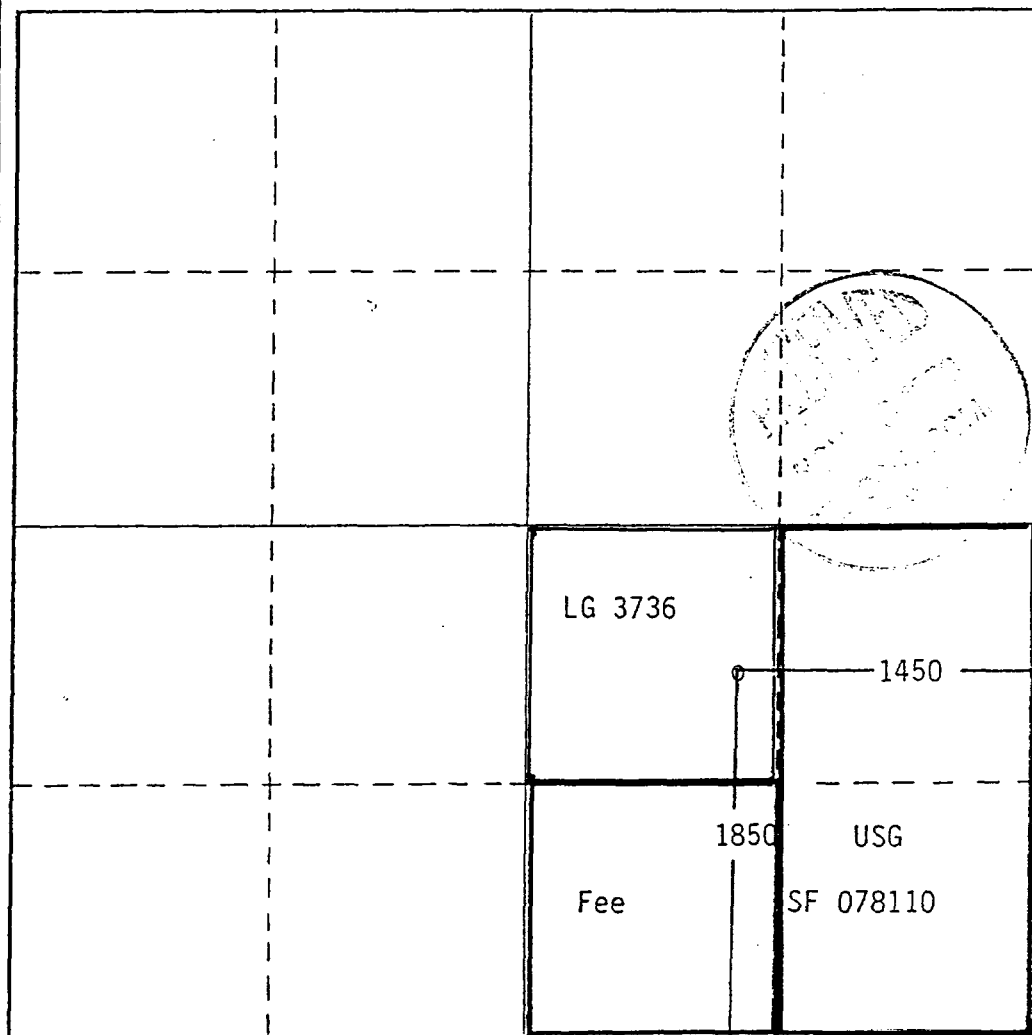
Operator Dugan Production Corp.		Lease Com		Well No. 3
Unit Letter J	Section 2	Township 29N	Range 14W	County San Juan
Actual Footage Location of Well: 1850 feet from the South line and 1450 feet from the East line				
Ground Level Elev. 5515	Producing Formation Fruitland - Pictured Cliffs		Pool Harper Hill <i>ext</i>	Dedicated Acreage: 160 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Thomas A. Dugan

Name
Thomas A. Dugan
Position
Petroleum Engineer
Company
Dugan Production Corp.

Date
11-2-78

REGISTERED LAND SURVEYOR
STATE OF NEW MEXICO
Reg. No. 3602
E. V. ECHOHAWK
I hereby certify that the location of this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same are true and correct to the best of my knowledge and belief.

Date Surveyed
Nov. 2, 1978

Registered Professional Engineer
and/or Land Surveyor

E. V. Echohawk

Certificate No. 3602
E. V. Echohawk L.S.

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Bruzoe Rd., Aztec, NM 87410
District IV
PO Box 2083, Santa Fe, NM 87504-2083

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
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Fee Lease - 3 Copies

Attachment
No. 3
pg 3 of 7

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* APT Number 30 045-29935		* Pool Code 71629		* Pool Name Basin Fruitland Coal	
* Property Code 003631		* Property Name Com			* Well Number 91
* OGRID No. 006515		* Operator Name Dugan Production Corporation			* Elevation 5450'

¹⁰ Surface Location

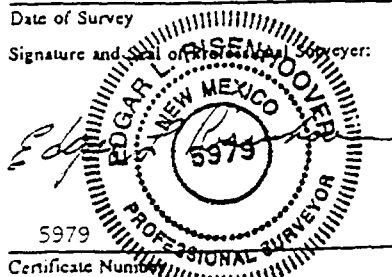
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
L	2	29N	14W	L	2510	South	790	West	San Juan

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 317.95	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ DPC NM-101992		DPC B-11242		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Sherman E. Dugan Printed Name Vice-president Title Date	
DPC E-6714		DPC E-2526-9			
790' 		Section 2			
DPC V-5411					
2510' DPC E-3555-8		DPC B-11242		¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. August 31, 1999 Date of Survey Signature and Seal of Professional Surveyor:  5979 Certificate Number	

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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No. 3
pg 4 of 7

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30 045 - 29883		2 Pool Code 71629		3 Pool Name Basin Fruitland Coal	
4 Property Code		5 Property Name King Com			6 Well Number 90
7 OGRID No. 006515		8 Operator Name Dugan Production Corporation			9 Elevation 5478'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
B	11	29N	14W	B	1128	North	1511	East	San Juan

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

12 Dedicated Acres 320.13	13 Joint or Infill	14 Consolidation Code	15 Order No.
------------------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	BLM Brass Cap	1294'	1294'	1340'	1511'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief Signature Sherman E. Dugan Printed Name Vice-President Title 3/19/99 Date
	DPC fee	1128'	Rebar w/cap #6159			
	212'		Rebar w/cap #6159	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. March 18, 1999 Date of Survey Signature and Seal of Professional Surveyor EDGAR E. RISENHOOVER NEW MEXICO 5979 Certificate Number 5979		
	Section	11	DPC - SF 078110			

16				
				17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</i> Signature Sherman E. Dugan Printed Name Vice-President Title February 29, 2000 Date
		Section 3		
		SF-078110 DPC - 100% 1605' 1560'		18 SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Date of Survey February 29, 2000 Signature and Seal of Professional Surveyor: Edgar L. Risen #5979 Certificate Number

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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No. 3
pg 6 of 7

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-045-3017B		1 Pool Code 78160		1 Pool Name Harper Hill Fruitland Sand/PC	
4 Property Code 003682		4 Property Name Federal 1			4 Well Number 8
1 OGRID No. 006515		1 Operator Name Dugan Production Corporation			4 Elevation 5482'

10 Surface Location

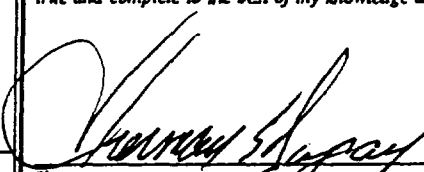
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
	11	29N	14W	C	790	North	1530	West	San Juan

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 160.0	13 Joint or Infill	14 Consolidation Code	15 Order No.
-----------------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature Sherman E. Dugan Printed Name Vice-President Title February 29, 2000 Date	
	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. February 7, 2000 Date of Survey  Signature and Seal Edgar L. Risenhoover Professional Surveyor #5979 Certificate Number	

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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No. 3
P870f7

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-045- 30180		2 Pool Code 71629		3 Pool Name Basin Fruitland Coal		
4 Property Code 003682		5 Property Name Federal I			6 Well Number 98	
7 OGRID No. 006515		8 Operator Name Dugan Production Corporation			9 Elevation 5441'	

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
	10	29N	14W	B	1200	North	1850	East	San Juan

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.
---------------------------	--------------------	-----------------------	--------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16			17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Sherman E. Dugan</i> Signature Sherman E. Dugan Printed Name Vice-President Title February 29, 2000 Date
	SF-078110 DPC-100%		
	18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. February 7, 2000 Date of Survey Signature and Seal of Professional Surveyor: <i>Edgar L. Risen</i> Edgar L. Risen, Professional Surveyor, No. 5979 Certificate Number		

ATTACHMENT NO. 4 - PAGE 1 OF 6
Interest Ownership Summary
Proposed King Gathering System
Dugan Production Corp.
San Juan County, New Mexico

	Com No. 1 (details on Pg. No. 2)		Com No. 3 (details on Pg. No. 3)		Com No. 91 (details on Pg. No. 4)		King Com No. 90 (details on Pg. No. 5)		Federal I No. 7 (details on Pg. No. 6)		Federal I No. 8 (details on Pg. No. 6)		Federal I No. 98 (details on Pg. No. 6)	
	WI	NI	WI	NI	WI	NI	WI	NI	WI	NI	WI	NI	WI	NI
<i>Working Interest</i>														
Dugan Production Corp.	100.00	84.52	100.00	87.50	100.00	77.73	99.88	87.27	100.00	87.50	100.00	87.50	100.00	87.50
Lee Atchison							0.12	0.12						

<u>Royalty Interest</u>													
USA - Federal	0	3.16	0	6.25	0	11.49	0	7.81	0	12.50	0	12.50	
State of New Mexico	0	7.76	0	3.12	0	1.54		0					
Rilla E. King	0	1.58	0	3.13				2.34					
J.E. & T.M. Goodding Trust								0.78					
Betty J. Akins								0.29					
Colleen McSparron								0.29					
LaRue Schenck								0.29					
Geraldine Sterling								0.29					
R.F. & J.A. Johnston								0.01					
Larry Dimmick								0.03					
Bill Jensen								0.03					
R.E. Presley								0.19					
Motor Property Partners								0.19					
State of NM Highway Dept.								0.05					

<u>Overriding Royalty Interest</u>										
Number of Owners	9		0		22		0		0	0
Total ORRI	2.98		0		9.24		0		0	0
Detail on Page No.	2		3		4		5		6	6

[illegible]

ATTACHMENT 4-PAGE 2 OF 6
Dugan Production Corp.
Com Well No. 1
Basin Fruitland Coal
Well Location: NWSE 2, T-29N, R-14W
Spacing Unit: E/2 Sec.2, T-29N, R-14W (316.65A)
San Juan County, New Mexico

<u>INTEREST OWNER</u>	<u>INTEREST%</u>	
	<u>Net</u>	<u>Gross</u>
<u>Working Interest</u>		
Dugan Production Corp.	84.523680	100.000000
<u>Royalty</u>		
State of New Mexico	7.762910	-0-
State Land Office		
Attn: Pete Martinez		
P. O. Box 1148		
Santa Fe, NM 87504-1148		
USA - Bureau of Land Management	3.158070	-0-
1235 La Plata Hwy.		
Farmington, NM 87401		
Rilla E. King	1.579030	-0-
P. O. Box 186		
Dolores, CO 81325		
<u>Overriding Royalty Interest</u>		
Marsha M. Daniels	0.030390	-0-
c/o Clotilda M. Pope		
5028 River Road		
Bethesda, MD 20016		
Louise Adair McDougal Hadley	0.121550	-0-
2 Bluff Road		
Swansboro, NC 28584		
Charles Alan McDougal	0.121550	-0-
7928 Rooksley Ct		
Raleigh, NC 27615		
Robert Bruce McDougal	0.121550	-0-
6608 Penny Lane		
Bartlesville, OK 74006		
Anne S. Henderson	0.121550	-0-
7611 Maple Ave., Apt. 811		
Silver Spring, MD 20912		
Robin Thomas Henderson	0.030390	-0-
5028 River Road		
Bethesda, MD 20016		
Russell Stewart Henderson, Jr.	0.030390	-0-
5028 River Road		
Bethesda, MD 20016		
Clotilda M. Pope	0.030390	-0-
5028 River Road		
Bethesda, MD 20016		
Conoco, Inc.	2.368550	-0-
10 Conoco Plaza, 10 Desta Drive		
Midland, TX 79705		
TOTAL WELL	100.000000	100.000000

ATTACHMENT 4-PAGE 3 OF 6

Dugan Production Corp.

Com Well No. 3

Harper Hill Fruitland Sand Pictured Cliffs

Well Location: NWSE 2, T-29N, R-14W

Spacing Unit: SE/4 Sec.2, T-29N, R-14W (160.00A)

San Juan County, New Mexico

<u>INTEREST OWNER</u>	<u>INTEREST%</u>	
	<u>Net</u>	<u>Gross</u>
<u>Working Interest</u>		
Dugan Production Corp.	87.500000	100.000000
<u>Royalty</u>		
State of New Mexico	3.125000	-0-
State Land Office		
Attn: Pete Martinez		
P. O. Box 1148		
Santa Fe, NM 87504-1148		
USA - Bureau of Land Management	6.25000	-0-
1235 La Plata Hwy.		
Farmington, NM 87401		
Rilla E. King	3.125000	-0-
P. O. Box 186		
Dolores, CO 81325		
TOTAL WELL	100.000000	100.000000

ATTACHMENT 4-PAGE 4 OF 6
Dugan Production Corp.
 Com Well No. 91
 Basin Fruitland Coal
 Well Location: NWSW 2, T-29N, R-14W
 Spacing Unit: W/2 Sec.2, T-29N, R-14W (A)
 San Juan County, New Mexico

<u>INTEREST OWNER</u>	<u>INTEREST%</u>	
	<u>Net</u>	<u>Gross</u>
<u>Working Interest</u> Dugan Production Corp.	77.732653	100.000000
<u>Royalty</u> State of New Mexico State Land Office Attn: Pete Martinez P. O. Box 1148 Santa Fe, NM 87504-1148	11.485427	-0-
USA - Bureau of Land Management 1235 La Plata Hwy. Farmington, NM 87401	1.538764	-0-
<u>Overriding Royalty Interest</u> Marsha M. Daniels c/o Clotilda M. Pope 5028 River Road Bethesda, MD 20016	0.030516	-0-
Louise Adair McDougal Hadley 2 Bluff Road Swansboro, NC 28584	0.122063	-0-
Charles Alan McDougal 7928 Rookley Ct Raleigh, NC 27615	0.122063	-0-
Robert Bruce McDougal 6608 Penny Lane Bartlesville, OK 74006	0.122063	-0-
Anne S. Henderson 7611 Maple Ave., Apt. 811 Silver Spring, MD 20912	0.122063	-0-
Robin Thomas Henderson 5028 River Road Bethesda, MD 20016	0.030516	-0-
Russell Stewart Henderson, Jr. 5028 River Road Bethesda, MD 20016	0.030516	-0-
Clotilda M. Pope 5028 River Road Bethesda, MD 20016	0.030516	-0-
James A. & H. H. Borland 222 Fourteenth St. NW Albuquerque, NM 87104	1.190063	-0-
Elsye L. Kilgore Trust c/o Sunwest Trust Dept./Don Kerby P. O. Box 26900 Albuquerque, NM 87125	0.183095	-0-
Lee W. Kilgore Trust c/o Sunwest Trust Dept./Don Kerby P. O. Box 26900 Albuquerque, NM 87125	0.183095	-0-
Conoco, Inc. 10 Conoco Plaza, 10 Desta Drive Midland, TX 79705	2.358861	-0-
Texon Energy Corp. Department 1041 P. O. Box 4554 Houston, TX 77210-4554	0.943545	-0-
Dr. Jo Anne Callan 1028 Santa Florencia Solano Beach, CA 92075	0.007863	-0-
Virginia D. Scarborough 215 N. Hudson Altus, Ok 73521	0.007863	-0-
Lynn M. Shaw 525 SE 27 th Ave. Portland, OR 97214	0.015726	-0-
W. H. Atkins 2209 N. Parkwood Harlingen, TX 78550	0.015726	-0-
Thelma Atkins 1028 Santa Florencia Solano Beach, CA 92075	0.094354	-0-
Harold Atkins P. O. Box 671 Brinkley, AZ 92075	0.015726	-0-
Evko Development 10 Starboard Court Mill Valley, CA 94941	3.145149	-0-
John W. Barringer 1054 Lynwood Blvd. Nashville, TN 37215	0.235886	-0-
Lewis T. Barringer, Jr. 192 Sayre Drive Princeton, NJ 08540	0.235886	-0-
TOTAL WELL	100.000000	100.000000

ATTACHMENT 4-PAGE 5 OF 6

Dugan Production Corp.
King Com Well No. 90
Basin Fruitland Coal
Well Location: NWNE 11, T-29N, R-14W
Spacing Unit: E/2 Sec. 11, T-29N, R-14W (320.13A)
San Juan County, New Mexico

<u>INTEREST OWNER</u>	<u>INTEREST %</u>	
	<u>Net</u>	<u>Gross</u>
<u>Working Interest</u>		
Lee Atchison P. O. Box 15069 Farmington, NM 87499-5069	0.117140	0.117140
Dugan Production Corp.	87.272553	99.882860
<u>Royalty</u>		
USA - Bureau of Land Management 1235 La Plata Hwy. Farmington, NM 87401	7.814403	-0-
Rilla E. King P. O. Box 186 Dolores, CO 81325	2.342798	-0-
Joseph E. & Twila M. Goodding Living Trust c/o Twila M. Goodding, Trustee 1009 Crestview Circle Farmington, NM 87401	0.780933	-0-
Betty Jane Akins 1309 Dewey Lane Alamogordo, NM 88310	0.292850	-0-
Colleen McSparron 3960 Higuera San Luis Obispo, CA 93401	0.292850	-0-
LaRue Schenck 3016 Crestridge Farmington, NM 87401	0.292850	-0-
Geraldine Sterling Box 74 Farmington, NM 87499	0.292850	-0-
Robert F. Johnston and Janice A. Johnston 605 Parkland Drive Aztec, NM 87410	0.014642	-0-
Larry Dimmick 650 W. Main, Ste. C Farmington, NM 87401	0.029285	-0-
Bill Jensen 613 Merino Kraal Farmington, NM 87401	0.029285	-0-
Randall E. Presley P. O. Box 2200 Bakersfield, CA 92663	0.187424	-0-
Motor Property Partners 6515 Tevis Drive Bakersfield, CA 93309	0.187424	-0-
State Highway Department of New Mexico P. O. Box 1149 Santa Fe, NM 87504-1149	0.052713	-0-
TOTAL WELL	100.000000	100.000000

ATTACHMENT NO. 4 - PAGE 6 OF 6

Dugan Production Corp.
Federal I Lease - San Juan County, New Mexico

Well No. 7

Harper Hill Fruitland Sand/Pictured Cliffs
Well Location: NWSE 3, T-29N, R-14W
Spacing Unit: SE Sec. 3, T-29N, R-14W (160.0A)

Well No. 8

Harper Hill Fruitland Sand/Pictured Cliffs
Well Location: NENW 11, T-29N, R-14W
Spacing Unit: NW Sec. 11, T-29N, R-14W (160.0A)

Well No. 98

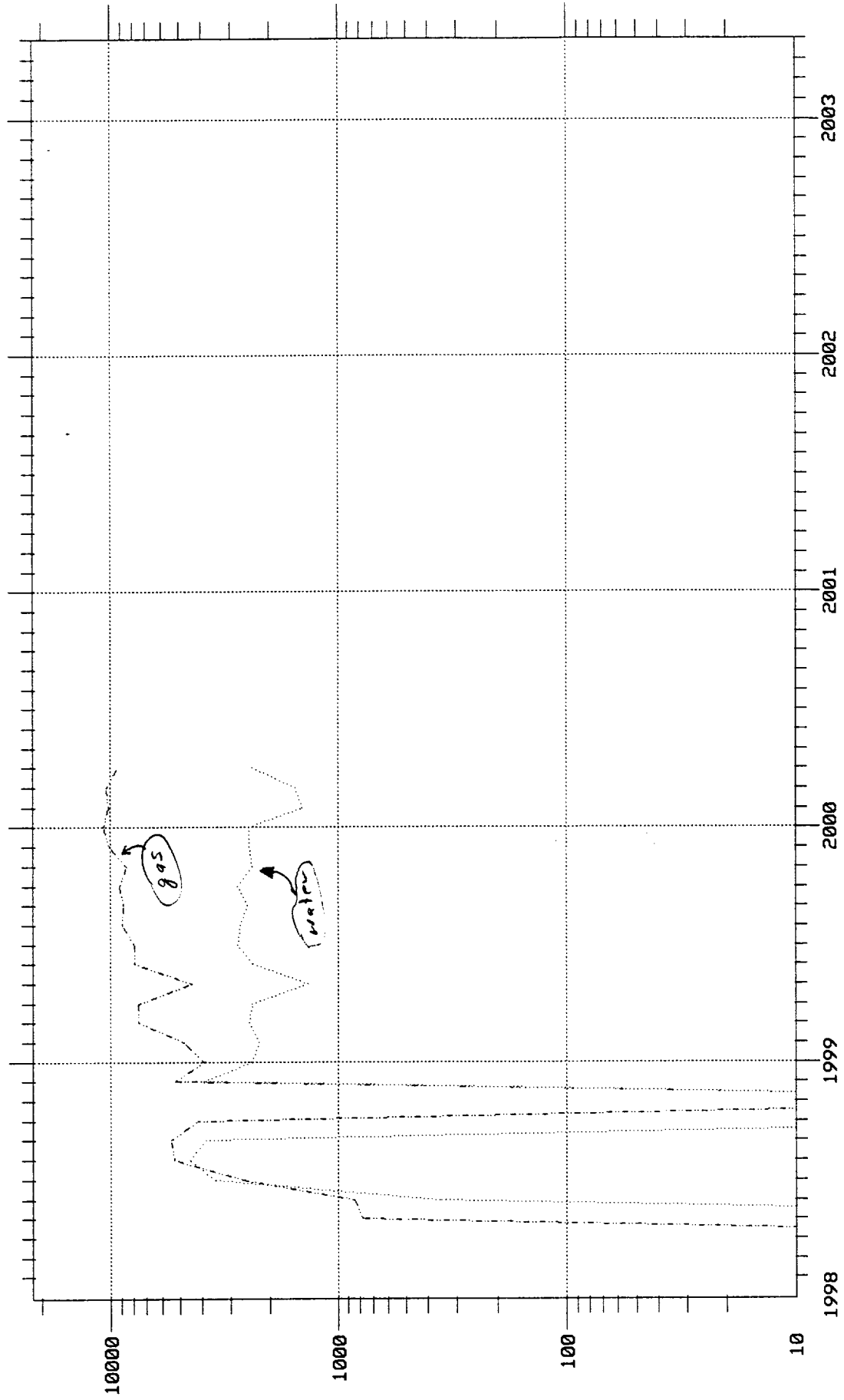
Basin Fruitland Coal
Well Location: NWNE 10, T-29N, R-14W
Spacing Unit: E/2 Sec. 10, T-29N, R-14W (320.0A)

<u>INTEREST OWNER (all 3 wells)</u>	<u>INTEREST%</u>	
	<u>Net</u>	<u>Gross</u>
<u>Working Interest</u>		
Dugan Production Corp.	87.5000	100.0000
<u>Royalty</u>		
USA - Bureau of Land Management	12.5000	-0-
TOTAL WELL	100.0000	100.0000

Attachment
No. 5
Pg 1 of 2

DUGAN PRODUCTION CORP.
Production Rate vs Time
Bbl/Mo or Mcf/Mo vs Months
COM NO.1 (J-2-29N-14W)
BASIN FRUITLAND COAL

Production
Oil
Gas
Water

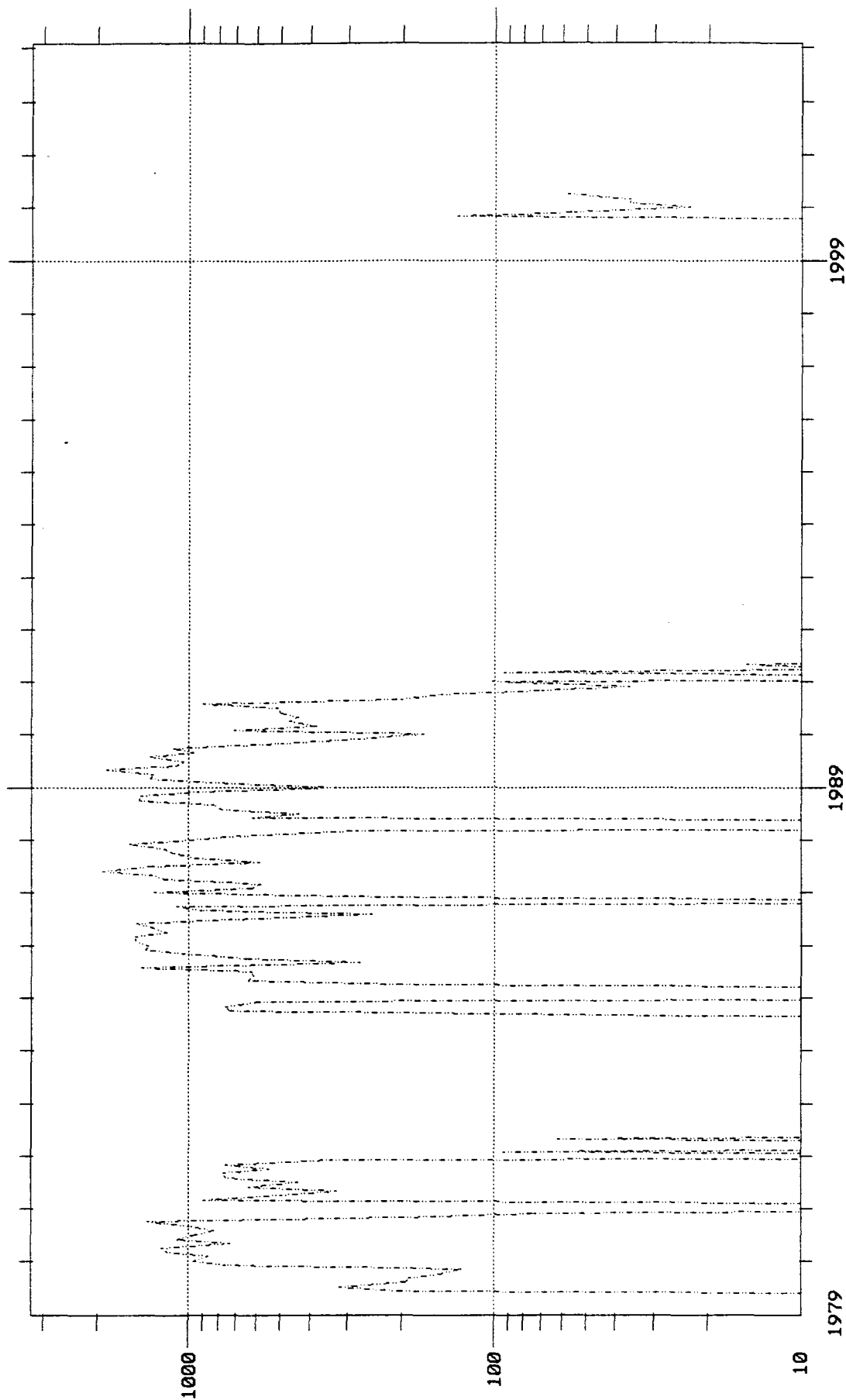


Reported Oil Production = 0 Bbls
Reported Gas Production = 154995 Mcf
Reported Water Production = 52955 Bbls

Production
Oil
Gas
Water

DUGAN PRODUCTION CORP.
Production Rate vs Time
Bbl/Mo or Mcf/Mo vs Months
COM NO. 3 (J-2-29N-14W)
HARPER HILL FRUITLAND SAND-PICTURED CLIFFS

Attachment
No. 5
Pg 2 of 2



Reported Oil Production = 0 Bbls
Reported Gas Production = 78284 Mcf
Reported Water Production = 6 Bbls

ATTACHMENT No. 6
Allocation Procedures
Dugan Production Corp.'s
King Gathering System
CDP : NWSW-2-29N-14W
San Juan County, New Mexico

Base Data:

U = Water Volume (BWPD) from Periodic Well Test x days operated during allocation period.

V = Water Volume (bbl) at Central Battery during allocation period.

W = Gas Volume (MCF) from allocation meters at individual wells and central battery separator during allocation period.

X = Gas Volume (MCF) from CDP Sales Meter during allocation period.

Y = BTU's from CDP Sales Meter during allocation period.

Allocation Period is typically a calendar month and will be the same for all wells.

1. Individual Well Gas Production = A + B + C + D + E + F

A = Allocated Sales Volume, MCF. = $(W / \text{SUM } W) \times X$

B = Allocated gas sales volume (MCF) associated with water production
= (A) in mcf for the central battery separator multiplied by a factor of $(U / \text{SUM } U)$ for wells delivering gas and water to the central battery separator.

C = On lease fuel usage, MCF. Determined from equipment specification and operating conditions.

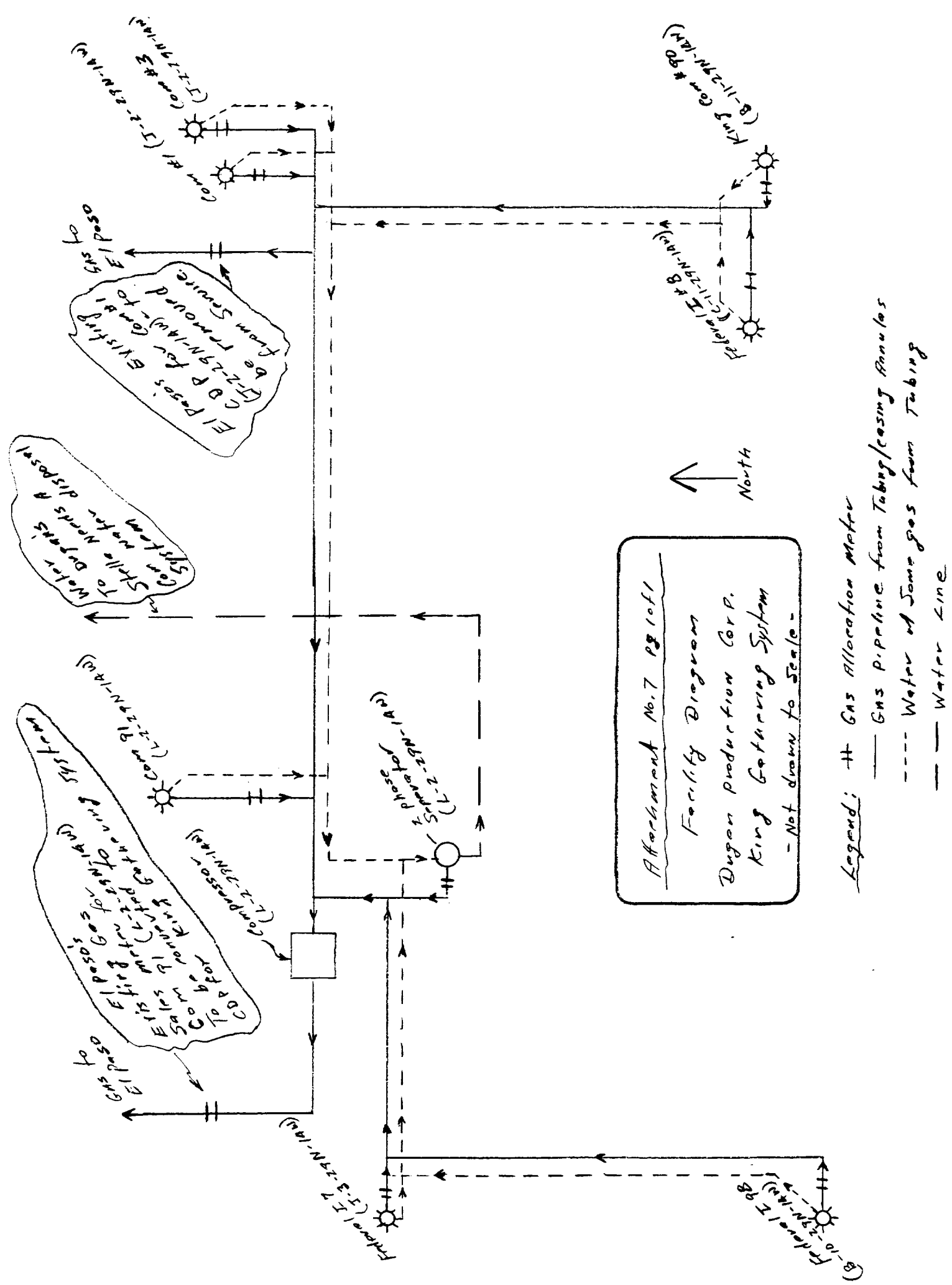
D = Purged and/or vented gas from well and/or lease equipment, MCF. Calculated using equipment specifications and pressures.

E = Allocated fuel from gathering system equipment, MCF. The total fuel required to operate gathering system equipment will be allocated to the individual wells benefiting from the equipment using allocation factors determined by $W / \text{SUM } W$ for the wells involved.

F = Allocated volume of gas lost and/or vented from the gathering system and/or gathering system equipment, MCF. The total volume will be determined using industry accepted procedures for the conditions existing at the time of the loss. All volumes corresponding to liquid condensation within the gathering system will also be determined. The total volume lost and/or vented will be allocated to the individual wells affected using factors determined by $W / \text{SUM } W$.

2. Allocated Individual Well BTU's = $((W \times \text{Individual well BTU}) / \text{Sum } (W \times \text{individual well BTU})) \times Y$.
Individual well gas heating values to be determined in accordance with BLM regulations (currently On shore Order No. 5).

3. Individual Well Water Production = Allocated production volume, bbl = $(U / \text{Sum } U) \times V$.



CO.CD 23 EL PASO NATURAL GAS
CUSTOMER ACCOUNTING SERVICES DEPARTMENT
VOLUME CALCULATION DIVISION
POST OFFICE BOX 1492
EL PASO, TEXAS 79978

CONTACTS:
EL PASO FIELD SERVICES
(713) 757-5953
EL PASO MAINLINE
(915) 496-2595

DATE 7/07/99

CHROMATOGRAPHIC GAS ANALYSIS REPORT

Attachment
No. 8
pg 1 of 2

MAILEE
26730

DUGAN PRODUCTION CORPORATION
P O BOX 420
FARMINGTON, NM 87499-0420

METER NUMBER 73044 - COM #1 - Basin Fruitland Cool (J-2-29N-14W)
OPERATOR 1862 - DUGAN PRODUCTION CORP

ANALYSIS DATE 5/17/99 TYPE CODE 2 - ACTUAL
SAMPLE DATE 5/14/99 H2S GRAINS 0
EFFECTIVE DATE 6/01/99 LOCATION F - FARM BECK
EFFECTIVE FOR 6 MONTHS

COMPONENTS	NORMALIZED MOL %	GPM
CO2	.69	.000
H2S	.00	.000
N2	.19	.000
METHANE	97.32	.000
ETHANE	1.10	.294
PROPANE	.37	.102
ISO-BUTANE	.07	.023
NORM-BUTANE	.10	.032
ISO-PENTANE	.04	.015
NORM-PENTANE	.03	.011
HEXANE PLUS	.09	.039
	100.00	0.516

SPECIFIC GRAVITY .578

MIXTURE HEATING VALUE
(BTU @ 14.73 DRY) 1029

RATIO OF SPECIFIC HEATS .000

NO TEST SECURED FOR H2S CONTENT

EL PASO NATURAL GAS COMPANY
VOLUME ACCOUNTING DEPARTMENT
MEASUREMENT DIVISION
POST OFFICE BOX 1492
EL PASO, TEXAS 79978
PHONE: (915) 541-5267
CHROMATOGRAPHIC GAS ANALYSIS REPORT

DATE 11/13/89

MAILEE
26730

DUGAN PRODUCTION CORPORATION
P. O. BOX 208
FARMINGTON, NEW MEXICO 87401

Attachment
No. 8
PG 2 of 2

METER NUMBER 90541 - COM 3 - Harper Hill Fruitland Sand - PC (J-2-27N-14W)
OPERATOR 1862 - DUGAN PRODUCTION CORP

ANALYSIS DATE 0/00/00
SAMPLE DATE 10/20/89
EFFECTIVE DATE 11/01/89
EFFECTIVE FOR 6 MONTHS

TYPE CODE 2 - ACTUAL
H2S GRAINS 0
LOCATION F - FARMINGTON

COMPONENTS	NORMALIZED MOL %	GPM
CO2	.56	.000
H2S	.00	.000
N2	.37	.000
METHANE	95.82	.000
ETHANE	1.71	.457
PROPANE	.78	.215
ISO-BUTANE	.06	.020
NORM-BUTANE	.30	.095
ISO-PENTANE	.08	.029
NORM-PENTANE	.06	.022
HEXANE PLUS	<u>.26</u>	<u>.113</u>
	100.00	0.951

SPECIFIC GRAVITY .593
MIXTURE HEATING VALUE
(BTU @ 14.73 DRY) 1053
RATIO OF SPECIFIC HEATS 1.302
NO TEST SECURED FOR H2S CONTENT