

dugan production corp.

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March 29, 2000

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

Mr. Ray Powell, Commissioner  
New Mexico State Land Office  
P.O. Box 1148  
Santa Fe, NM 87504-1148

Re: Surface Commingling and Off-Lease Measurement  
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

Dear Mr. Powell,

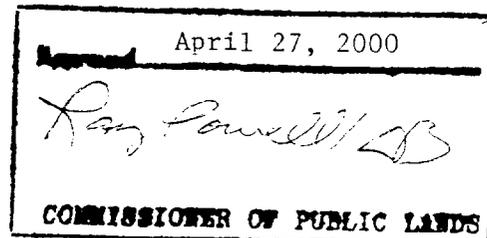
Attached is our check for the \$30.00 surface commingling application fee. Also attached for your approval is the captioned application. Our records indicate that the spacing units for Dugan Production's Com No. 1E, Com No. 2 and Com No. 4 wells include state leases, B-11242, E-2526, E-6714, and LG-3736.

Should you have questions or need additional information, please let me know.

Sincerely,

John D. Roe  
Engineering Manager

JDR/mm  
Attachments



COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

ADMINISTRATION

Phone (505) 827-5700

Fax (505) 827-5853

GENERAL COUNSEL

Phone (505) 827-5713

Fax (505) 827-4262

PUBLIC AFFAIRS

Phone (505) 827-1245

Fax (505) 827-5766



COMMERCIAL RESOURCES

Phone (505) 827-5724

Fax (505) 827-6157

MINERAL RESOURCES

Phone (505) 827-5744

Fax (505) 827-4739

ROYALTY MANAGEMENT

Phone (505) 827-5772

Fax (505) 827-4739

SURFACE RESOURCES

Phone (505) 827-5793

Fax (505) 827-5711

**New Mexico State Land Office  
Commissioner of Public Lands  
Ray Powell, M.S., D.V.M.**

May 25, 2000

Dugan Production Corporation  
P.O. Box 420  
Farmington, New Mexico 87499-0420

Attn: Mr. John D. Roe

Re: Amended Letter Dated March 29, 2000  
Surface Commingling and Off-Lease Measurement  
Dugan Production Corp.'s Application  
Com No. 1E, Com No. 2, Com No. 4, Federal I No. 99, Tabor Com No. 90  
San Juan County, New Mexico

Dear Mr. Roe:

We are in receipt of your letter of April 10, 2000, regarding the above-captioned application.

Your correspondence and documentation have been filed in Dugan's surface commingling files.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY:   
PETE MARTINEZ  
Oil/Gas and Minerals Division  
(505) 827-5791

RP/PM/cpm  
xc: Reader File

MAY 2000  
RECEIVED

COMMISSIONER'S OFFICE

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**New Mexico State Land Office  
Commissioner of Public Lands  
Ray Powell, M.S., D.V.M.**

July 7, 2000

Dugan Production Corporation  
P.O. Box 420  
Farmington, New Mexico 87499-0420

Attn: Mr. John D. Roe

Re: Add Two Wells to Dugan's Com 1E CDP  
Surface Commingling, Off-Lease Measurement and Sale of Natural Gas  
Dugan Production Jiggs Well No. 1 and Jiggs Well No. 2  
San Juan County, New Mexico

Dear Mr. Roe:

Your letter of June 30, 2000, has been received and has been filed in our commingling files.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

A handwritten signature in cursive script that reads "Pete Martinez".

BY:  
PETE MARTINEZ  
Oil, Gas and Minerals Division  
(505) 827-5791

RP/PM/cpm  
Enclosure  
xc: Reader File

OCD-Mr. David Catanach, Mr. Ben Stone

  
JUL 2000  
RECEIVED

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

JUL 2000  
RECEIVED

**SUNDRY NOTICES AND REPORTS ON WELLS**  
Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT -" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other CDP Gas Sales	7. If Unit or CA, Agreement Designation
2. Name of Operator Dugan Production Corp.	8. Well Name and No. Com #1E CDP
3. Address and Telephone No. P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821	9. API Well No. Multiple - see below
Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple - see below	10. Field and Pool, or Exploratory Area Basin Fruitland Coal/ Harper Hill FR Sd/PC
	11. County or Parish, State San Juan, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Surface commingling &amp; Off-lease Measurement</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Dugan Production Corp. in applications dated 3/29/00 & 6/30/00, has proposed to expand the Com 1E CDP to include the five wells listed below:  
Letter Application dated 3/29/00

Well No.	API No.	Location	Lease No.
Com No. 4	29986	NENW-2-29N-14W	C.A. pending
Federal I No. 99	29989	SENE-3-29N-14W	SF-078110
Tabor Com No. 90	29994	SENE-35-30N-14W	NM-33051

Letter Application dated 6/30/00

Well No.	API No.	Location	Lease No.
Jiggs No. 1	30183	SWNW-35-30N-14W	NM-0206995
Jiggs No. 2	30177	NESE-35-30N-14W	NM-0206995

For natural gas sales at the Com No. 1E CDP; located in the NENE of Section 2, T-29N, R-14W; each of the five wells will require BLM approval for surface commingling and off-lease measurement/sale of natural gas.

14. I hereby certify that the foregoing is true and correct

Signed John D. Roe Title Engineering Manager Date 7/5/2000  
John D. Roe

(This space for Federal or State office use)

Approved by [Signature] Title Pet. Engineer Date JUL 05 2000

Conditions of approval, if any:

APPROVED 7/5/00



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Jennifer A. Salisbury**  
Cabinet Secretary

**Lori Wrotenbery**  
Director  
Oil Conservation Division

August 22, 2001

Dugan Production Corporation  
P.O. Box 420  
Farmington, New Mexico 87499-0420

Attention: Mr. John D. Roe

Re: Surface Commingling Application  
Tabor Gathering System

Dear Mr. Roe:

This letter acknowledges the receipt of your administrative application to add nine wells to your Tabor Gathering System as an amendment to Division Order No. PLC-173. The Division received your application on August 15, 2001.

Our preliminary review indicates that the information provided in the application is not sufficient to process the administrative order. The following information is necessary:

**a) Administrative Application Checklist (Enclosed)**

Since the submitted information is insufficient to review, the application was **Ruled Incomplete** on August 22, 2001. Please submit the above stated information by August 29, 2001.

The Division cannot proceed with your application until the required information is submitted. Upon receipt, the division will continue to process your application. The additional information can be faxed, or mailed to the Division. If the necessary information is not submitted, your application will be returned to you.

If you have any questions, please contact me in Santa Fe, at (505) 476-3466.

Sincerely,

David Catanach  
Petroleum Engineer