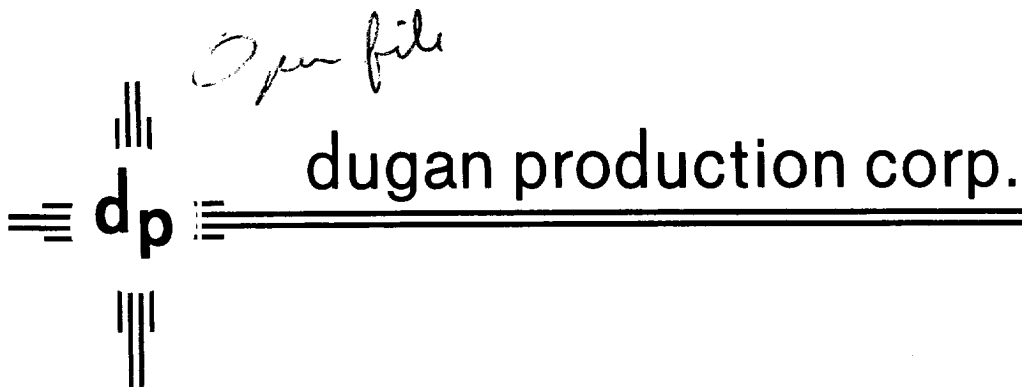




November 18, 1999

Mr. Lee Otteni
Bureau of Land Management
1235 La Plata Highway
Farmington, NM 87401

Mr. Frank Chavez
New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410

Re: Notice of Alternative Gas Measurement Implementation
Dugan Production Corp.'s
Jim Thorpe No. 1 (API #30 045 26587)
Lease No. NOO-C-1420-5825
South Bisti Gallup Oil Pool
Unit G, Section 3, T-23N, R-10W
Goodtimes Gas Gathering System
San Juan County, New Mexico

Dear Mr. Otteni and Mr. Chavez,

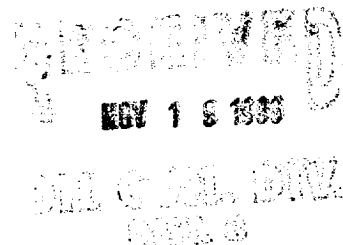
The subject well has been approved for the use of an alternative gas measurement method. We are writing to advise that alternative gas measurement was initiated on 11-17-99 and that the average daily gas rate for the first 12 month period will be 7.9 MCFD.

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

Sincerely,

John D. Roe
Engineering Manager

JDR/trnf



LEGEND

CODE	LEASE NAME & NUMBER
A	April Surprise NM-4958
B	Big Bird NM-16759
C	Big Eight NM-25440
D	Blanco Wash 1 14-20-0603-1404
E	Blanco Wash 2 14-20-0603-1403
F	Blanco Wash 4 14-20-0603-1405
G	Elwood P. Dowd NM-9520
H	Fabulous Feb NM-51000
I	Harvey NM-10755
J	Holly B-10889-16 & 23
K	Holly LG-1035-3
L	Holly Valex E-6644-14 & 12
M	Ivy League NM-45208
N	Merry Chase NM-100302
O	July Jubilee NM-24661
P	Largo Federal B SF-078860
Q	March On NM-LG5685
R	Mary Anne NM-10089
S	MF NM-6760
T	Muddy Mudda NM-36474
U	Nagezi SF-078862-A
V	November 24 NM-12374
W	Ohwada NM-90843
X	Pac Ten NM-45207
Y	Phillips NM-30854
Z	Phillips NM-63319
AA	Sixteen G's NM-25433
AB	NM-100303
AC	Mo Valley NM-23742
AD	Wac NM-36473
AZ	September Com'd NM-62973
BA	September NM-54983
BD	Sanchez - O'Brien NM-97108

Attachment A
Section of map No. 2 from
Ogden Production Corp's
6-22-58 Expansion Application
Good Times Battery System

