

ABOVE THIS LINE FOR DIVISION USE ONLY

*Include  
anyone  
about  
future  
additions*

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



### ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

#### Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

#### [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement

☐ DHC ☒ CTB ☒ PLC ☐ PC ☐ OLS ☒ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify \_\_\_\_\_

#### [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

- [A] ☒ Working, Royalty or Overriding Royalty Interest Owners

- [B] ☐ Offset Operators, Leaseholders or Surface Owner

- [C] ☐ Application is One Which Requires Published Legal Notice

- [D] ☒ Notification and/or Concurrent Approval by BLM or SLO  
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

- [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

- [F] ☐ Waivers are Attached

#### [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

*Kevin Smaka*  
Signature

Production Engineer  
Title

3/17/15  
Date

kevin.smaka@duganproduction.com  
e-mail Address

*- PCL 173-E*  
*- Dugan Production Corp*  
*6515*  
*well*  
*- Carpenter IE*  
*30-045-23613*  
*- See Attachment*  
*#2 for other*  
*wells*  
*2015 MAR 19 P 3:12*  
*RECEIVED OGD*  
*POOL*  
*- Basin Fruitland Sand*  
*71629*  
*- Basin Dakota*  
*71599*  
*- Hansen Hill Fruitland*  
*546 PL*  
*7816-*  
*- Twin Mounds*  
*Fruitland Sand*  
*8662*



# dugan production corp.



March 17, 2015

Mr. David Catanach, Director  
New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

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

Mr. Gary Torres, Manager  
Bureau of Land Management  
6251 College Blvd. Suite A  
Farmington, NM 87402

Re: Application to add 11 wells to the Tabor Gathering System,  
San Juan County, New Mexico

Dear Mr. Catanach, Mr. Torres, and Mr. Dunn,

We are writing to request your administrative approvals to add 11 wells to Dugan Production's Tabor Gathering System (which currently has 39 wells authorized by NMOCD Order PLC-173). In addition, we are requesting that NMOCD Order PLC-173 to continue to include notice provisions for future system additions. NMOCD Form C-107-B is attached as part of this application.

**Attachment No. 1** presents a map of the Tabor Gathering System (TGS) with the proposed additions. In addition, Dugan Production's leasehold interest is also presented which includes eight federal leases, one state leases plus three fee leases. Dugan Production is the operator of all wells. The wells and associated leases are also presented on **Attachment No. 2**. We do not anticipate commingling oil or condensate. Each well producing oil or condensate will be equipped with separation equipment and all oil or condensate will be separated and stored on the lease. **Attachment No. 3** presents a summary of the interest owners in the wells currently connected and the proposed additions. There are 18 working interest, four types of royalty interest (state, federal and fee) plus 16 overriding royalty interest owners. As required by the OCD, all interest owners in the wells proposed to be added to the gathering system have been given notice of this application. The working interest owners have been provided with a complete copy of this application.

Production for the proposed gathering system comes from four gas pools with production averaging 30 mcf/d/well. **Attachment No. 4** presents our interest owner notification efforts and includes a copy of the letter sent to the working interest owners. In addition, all fee royalty interest owners and all overriding royalty interest (ORRI) owners were provided with a detailed description of this application and were offered a complete copy of the application should they desire a copy. A copy of the notice letter sent to the fee royalty and ORRI owners is included in Attachment No.4. All notice letters have been sent by certified, return receipt mail and upon receiving the receipts, copies will be forwarded to the NMOCD. Also included in Attachment No. 4 is a copy of the newspaper advertisement which is scheduled to be published in the Farmington Daily Times on March 15, 2015 to further provided notice to all interest owners, anticipating that some of the notices mailed, there will invariably be some receipts not returned. In addition, from other correspondence attempts, we know that three of the ORRI owner addresses are not current. We have attempted to locate these three ORRI owners, however to date have not be able to do so. As provided by Rule 19.15.5.303B.(4)(d)(vii), Dugan Production is requesting that the NMOCD Order issued for this application continue to include the provision that for future additions to the gathering system, only the interest owners in the wells being added need to be notified, providing that in reasonable probability the proposed additions will not adversely affect the interest owners in the wells already approved for the system. Our letters to each of the interest owners did include a notice of this request. This provision will be very helpful and will greatly reduce the work effort necessary to add future wells to the TGS.

RECEIVED OCD  
2015 MAR 19 P 3:12

The TGS was initially authorized in August, 1996 by NMOCD Order R-10655 and was initially known as the Com 1E CDP serving two wells. The Com 1E CDP was expanded three times to include 16 wells and NMOCD Administrative Order PLC-173 dated 7/24/00 was issued to replace Order R-10655. In October, 2001, Dugan Production expanded the TGS a 4<sup>th</sup> time by consolidating the 16 wells on the TGS with the seven wells authorized for Dugan's King Gathering System (KGS). The KGS was initially authorized as the Com 1 CDP by NMOCD Order PLC-157 dated 9-22-99. The KGS was expanded 1 time and included seven wells. The consolidated King and Tabor Gathering System, which included 23 wells, was approved by the NMOCD on 11/22/01 (3<sup>rd</sup> Amended Order PLC-173) and by the State Land Office on 11/6/01 and the BLM on 12/13/01. Upon consolidating these two gathering systems, Order PLC-157 for the KGS was replaced by Order PLC-173 3<sup>rd</sup> Amendment for the TGS. The CDP gas sales meter along with central battery facilities for water production for the TGS are located at the Com 1E well location (A-2-29N-14W). **Attachment No. 6** presents the facility diagram. The CDP gas sales meter is operated and maintained by Enterprise Field Services (meter no. 90887) and will continue to be the CDP sales meter for the Tabor gathering system.

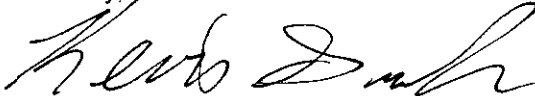
All wells on the TGS are equipped with allocation meters to measure produced gas and wells that produce significant volumes of water are typically equipped with rod pumps. Gas is produced up the casing-tubing annulus and is measured by the allocation meter prior to entering the gas line of the TGS. Predominantly water plus any entrained gas is produced up the tubing and into the water line of the TGS. The water then transfers to the central battery where it is separated from any entrained gas that may be present and then the water is pumped to Dugan's water disposal wells, primarily the Stella Needs a Com No 1E & No. 1 wells. Any gas that is recovered from the water at the central battery is measured with an allocation meter and is allocated back to the individual wells producing the water based upon factors determined from produced water volumes. The allocation procedure currently approved and being used for wells on the TGS is presented in **Attachment No. 5**. Each well on the gathering system will be equipped with a continuous recording gas allocation meter (or some form of approved alternative measurement) operated and maintained by Dugan. Prior to converting any gas measurement from a conventional allocation meter to an alternative measurement method, we will seek formal approvals. The charts from each allocation meter will be integrated by a commercial integration service and the volumes recorded utilized to determine factors for allocating CDP volumes, BTU's and revenues to the individual wells.

In summary, Dugan Production Corp. is requesting approvals to:

1. Add 10 wells to the Tabor gathering system
2. The Tabor Commingling Order PLC-173 continue to include provisions that for future additions only the interest owners being added require notice.

Should you need additional information or have questions regarding any of this information, please feel free to contact me at the letterhead address.

Sincerely,



Kevin Smaka,  
Production Engineer

KS/tmf

Enclosures

cc: NMOCD – Aztec  
All Working Interest Owners

[illegible][illegible]

ATTACHMENT NO. 3 – PAGE 2 OF 16  
Dugan Production Corp.  
Carpenter #1E  
Basin Dakota  
Well Location: SENW 25, T30N, R14W  
Spacing Unit: W/2 (320.36A)  
San Juan County, NM

<u>INTEREST OWNER</u>	<u>INTEREST%</u>	
	<u>Gross</u>	<u>Net</u>
<u>Working Interest</u>		
Dugan Production Corp.	100.000000	84.378512
<u>Royalty</u>		
USA – c/o Bureau of Land Management 6251 College Blvd. Suite A Farmington, NM 87402	-0-	12.500000
<u>Overriding Royalty Interest</u>		
John F. Carpenter P O Box 999 Sour Lake, TX 77659	-0-	1.040496
Barbara Gibson P O Box 9038 Midland, TX 79708	-0-	1.040496
Carol Winkel 3300 North A St. Bldg 2 Suite 208 Midland, TX 79705	-0-	1.040496
<b>TOTAL WELL</b>	<b>100.000000</b>	<b>100.000000</b>

Dugan Production Corp.  
Federal I #101S  
Basin Fruitland Coal  
Well Location: NESE 1, T29N, R14W  
Spacing Unit: S/2 (320.0A)  
San Juan County, NM

<u>INTEREST OWNER</u>	<u>INTEREST%</u>	
	<u>Gross</u>	<u>Net</u>
<u>Working Interest</u>		
Dugan Production Corp.	100.000000	87.500000
<u>Royalty</u>		
USA – c/o Bureau of Land Management 6251 College Blvd. Suite A Farmington, NM 87402	-0-	12.500000
<b>TOTAL WELL</b>	<b>100.000000</b>	<b>100.000000</b>

**ATTACHMENT NO. 3 – PAGE 3 OF 16**  
**Dugan Production Corp.**  
**Federal I Com #102**  
**Basin Fruitland Coal**  
**Well Location: NENE 12, T29N, R14W**  
**Spacing Unit: E/2 (320.0A)**  
**San Juan County, NM**

**INTEREST OWNERS**

	<u>INTEREST%</u>	
	<u>Gross</u>	<u>Net</u>
<u>Working Interest</u>		
Dugan Production Corp.	56.110000	49.007425
Cross Timbers Energy LLC 400 W. Seventh Street Fort Worth, TX 76102	40.120000	35.105498
State Highway Department P O Box 1149 Santa Fe, NM 87504-1149	3.770000	3.767779
<u>Royalty</u>		
USA – c/o Bureau of Land Management 6251 College Blvd., Suite A Farmington, NM 87402	-0-	12.119298
<b><u>TOTAL WELL</u></b>	<b><u>100.000000</u></b>	<b><u>100.000000</u></b>

**Dugan Production Corp.**  
**Federal I Com #102**  
**Harper Hill Fruitland Sand Pictured Cliffs**  
**Well Location: NENE 12, T29N, R14W**  
**Spacing Unit: NE/2 (160.0A)**  
**San Juan County, NM**

**INTEREST OWNERS**

	<u>INTEREST%</u>	
	<u>Gross</u>	<u>Net</u>
<u>Working Interest</u>		
Dugan Production Corp.	74.850000	65.490190
Cross Timbers Energy LLC 400 W. Seventh Street Fort Worth, TX 76102	25.150000	22.009810
<u>Royalty</u>		
USA – c/o Bureau of Land Management 6251 College Blvd., Suite A Farmington, NM 87402	-0-	9.355742
E.B. Mann P O Box 1769 Bloomfield, NM 87413	-0-	1.572129
Jean Cox-Lovell R&C Investment 3505 N. Mesa Verde Farmington, NM 87401	-0-	1.572129
<b><u>TOTAL WELL</u></b>	<b><u>100.000000</u></b>	<b><u>100.000000</u></b>

**ATTACHMENT NO. 3 – PAGE 4 OF 16**

**Dugan Production Corp.**  
Federal I Com #102S  
Basin Fruitland Coal  
Well Location: NESE 12, T29N, R14W  
Spacing Unit: E/2 (320.0A)  
San Juan County, NM

**INTEREST OWNERS**

	<u>INTEREST%</u>	
	<u>Gross</u>	<u>Net</u>
<u>Working Interest</u>		
Dugan Production Corp.	56.110000	49.007425
Cross Timbers Energy LLC 400 W. Seventh Street Fort Worth, TX 76102	40.120000	35.105498
State Highway Department P O Box 1149 Santa Fe, NM 87504-1149	3.770000	3.767779
<u>Royalty</u>		
USA – c/o Bureau of Land Management 6251 College Blvd., Suite A Farmington, NM 87402	-0-	12.119298
<b>TOTAL WELL</b>	<b>100.000000</b>	<b>100.000000</b>

**Dugan Production Corp.**  
Federal I Com #102S  
Harper Hill Fruitland Sand Pictured Cliffs  
Well Location: NESE 12, T29N, R14W  
Spacing Unit: SE/2 (160.0A)  
San Juan County, NM

**INTEREST OWNERS**

	<u>INTEREST%</u>	
	<u>Gross</u>	<u>Net</u>
<u>Working Interest</u>		
Dugan Production Corp.	37.430238	30.412959
Cross Timbers Energy LLC 400 W. Seventh Street Fort Worth, TX 76102	60.211952	52.686449
State Highway Department P O Box 1149 Santa Fe, NM 87504-1149	2.35781	2.355929
<u>Royalty</u>		
USA – c/o Bureau of Land Management 6251 College Blvd., Suite A Farmington, NM 87402	-0-	10.440443
Federal Indian Minerals Office 6251 College Blvd., Suite B Farmington, NM 87402	-0-	4.104220
<b>TOTAL WELL</b>	<b>100.000000</b>	<b>100.000000</b>

ATTACHMENT NO. 3 – PAGE 5 OF 16  
Dugan Production Corp.

Well Name	Pool	Location	Spacing Unit
Federal I Com 103	Basin Fruitland Coal	SWNW 12-29N-14W	W/2-320.0A
Federal I Com 103S	Basin Fruitland Coal	SWSW 12-29N-14W	W/2-320.0A

INTEREST OWNERS

	INTEREST%	
	Gross	Net
<u>Working Interest</u>		
Dugan Production Corp.	93.096334	82.479735
Cross Timbers Energy LLC 400 W. Seventh Street Fort Worth, TX 76102	4.378960	3.831590
Richard M & Rena A. Bibo 5401 Rinconada Street Farmington, NM 87402	0.011728	0.011728
John Butler BAD ADDRESS 5201 Ironwood Drive Farmington, NM 87401	0.780826	0.780826
City of Farmington Attn: Jay Burnham, City Atty 800 Municipal Drive Farmington, NM 87401	0.054152	0.054152
Harper Hill RV & Self Storage, LLC 4500 Lomas Street Farmington, NM 87401	0.106686	0.106686
Hoo Doo LLC Dimmick Family Partners P O Box 1395 Flora Vista, NM 87415	0.029904	0.029904
J.D. Kinsey c/o Steve Kinsey 100 Olde Oak Georgetown, TX 78633	0.218221	0.218221
Ricky L. & Shermann S. Marcy P O Box 2098 Farmington, NM 87499-2098	0.011133	0.011133
Jack. L. Moore 2316 11 <sup>th</sup> Street Farmington, NM 87401	0.011133	0.011133
Carl Joe & Katherine M. Peskor P O Box 594 Farmington, NM 87499	0.011133	0.011133
Rio Finance BAD ADDRESS Attn: Fahryn Dill 8211 East 96 <sup>th</sup> Ave. Henderson, CO 80640	0.328121	0.328121
Sherman & Helen R. Singleton Trust P O Box 2001 Farmington, NM 87499	0.056803	0.056803
United Food Store #34 Attn: Mark Frazer 900 Schofield Lane Farmington, NM 87401	0.044291	0.044291
Westerman Realty Interest, LLC P O Box 226406 Dallas, TX 75222-6406	0.609401	0.609401
Wytex Properties, LLC 25528 Genessee Trail Road Golden, CO 80401	0.240042	0.240042
Mary Yazzie 1713 Meadow Lark Ave Farmington, NM 87401	0.011132	0.011132



<u>Royalty</u> USA – c/o Bureau of Land Management 6251 College Blvd., Suite A Farmington, NM 87402	-0-	6.272630
Shannon K. Adcock 111 Dogwood Lane Clinton, TN 37716	-0-	0.042898
Diana Fay Akins 3020 Conifer Drive Largo, FL 33771	-0-	0.221892
Jerry Richard Akins 1403 Uxbridge Court Opelika, AL 36801	-0-	0.221892
Robert Cecil Akins 40 Tarpon Avenue, SE Rio Rancho, NM 87124	-0-	0.221892
William E. Baldwin NO ADDRESS	-0-	0.004489
L.R. & Lillie B. Ballantyne NO ADDRESS	-0-	0.008978
Stefine Bjorkedal NO ADDRESS	-0-	0.008978
Carol J. Brochu 6345 13 <sup>th</sup> Avenue S Richfield, MN 55423-1719	-0-	0.002244
Patti Jo Brochu 525 W. 3 <sup>rd</sup> St. Upper Rush City, MN 55069	-0-	0.002245
Daryl Gene & Eva Jean Burson P O Box 1687 Farmington, NM 87499	-0-	0.236002
Civco, LLC BAD ADDRESS 3809 Atrisco NW, Suite C Albuquerque, NM 87120	-0-	0.004007
Jack I. Clow NO ADDRESS	-0-	0.004483
John O. Cotton NO ADDRESS	-0-	0.004489
Marie M. Dill 355 Kestrel Way Nipomo, CA 93444	-0-	0.887567
Farmington Construction 1030 Walnut Drive Farmington, NM 87401	-0-	0.007746
Matthew Flack 626 W. Animas Farmington, NM 87401	-0-	0.001246
Erik M. Gallemore 14303 Old Castle San Antonio, TX 78217	-0-	0.042901
Shawna Gallemore 1334 Stone Crop Ct. Las Cruces, NM 88007	-0-	0.042898
Twila M. Goodding Trust 1009 Crestview Circle Farmington, NM 87401	-0-	0.448879
Chad Greenwade 8 Road 6427 Kirtland, NM 87417	-0-	0.001246

George N. & Gertrude S. Grinstainer BAD ADDRESS 1601 E. New York Street Indianapolis, IN 36204	-0-	0.004489
O. Calleen Hackney 1336 Golden Rod Ct. Las Cruces, NM 88007	-0-	0.042698
Shane T. Hackney 3232 Langley Dr. Piano, TX 75025	-0-	0.042898
Hoo Doo LLC Dimmick Family Partners P O Box 1395 Flora Vista, NM 87415	-0-	0.384819
Dewayne & Dolly Horton 41 CR 5359 Bloomfield, NM 87413	-0-	0.887567
Betty Jo Hulse BAD ADDRESS 5654 Delmar Blvd St. Louis, MO 63112	-0-	0.008978
Charles Jaakola 7749 Mississippi Lane Brooklyn Park, MN 55444-2149	-0-	0.002244
Jarris Group, LLP 8407 E. Rancho Vista Drive Scottsdale, AZ 85257	-0-	0.013672
Joe and Stan LLC P O Box 629 Farmington, NM 87499	-0-	0.006314
Robert F. & Janice A. Johnston 605 Parkland Drive Aztec, NM 87410	-0-	0.061964
Casimer & Rosemarie Lewanski 1207 60 <sup>th</sup> Street Cleveland, OH 44103	-0-	0.004489
Anthony V. Magerscak & Lynn Cherly BAD ADDRESS 573 S. Beach Street Bryan, OH 43506	-0-	0.008978
Joe M.L. Melton c/o Karen Sue Allen, Executrix BAD ADDRESS P O Box 4203 Midland, TX 79704	-0-	0.004489
Sheri Lynn Mendoza P O Box 65 Bent, NM 88314	-0-	0.221892
Frank N. Packwa BAD ADDRESS 5310 S. California Ave. Chicago, IL 60632	-0-	0.004489
A.J. Pedersen BAD ADDRESS 2200 Stroud Ave. Kingsburg, CA 93631	-0-	0.004489
Lena C. Poole BAD ADDRESS 3053 123 <sup>rd</sup> Street Toledo, OH 43611	-0-	0.008978
James W. & Kathy E. Pope 4315 W. Hopi Farmington, NM 87401	-0-	0.020206

Troy L. & Pauline Pope 4315 W. Hopi Farmington, NM 87401	-0-	0.291163
Verna Risku BAD ADDRESS 409 9 <sup>th</sup> Street North, Apt #223 Virginia, MN 55792-2361	-0-	0.002244
Don K. Robertson 19 Weaver Drive Ottumwa, IA 52501	-0-	0.008978
Mary Ann Ruwwe Revocable Trust, Vernon Ruwwe, Trustee 723 Horsethief Lane Durango, CO 81301	-0-	0.118066
Noble B. Schaefer Estate c/o Merline W. Call 609 S. Grand Ave. Los Angeles, CA 90017	-0-	0.004489
John Schoenborn NO ADDRESS	-0-	0.008978
John E. & Treasea Schramek BAD ADDRESS 2622 Avers Ave. #1 Chicago, IL 60623	-0-	0.044888
Almond C. Schroeder NO ADDRESS	-0-	0.008978
Carole A. Shank, An Unmarried Woman 17586 E. Crestline Ave. Centennial, CO 80015	-0-	0.118066
Shriners Hospital for Crippled Children c/o Northern Trust Bank of Texas Attn: Davilyn Gray P O Box 226270 Dallas, TX 75222	-0-	0.008978
Sisters of the Humility 820 W. Central Park Davenport, IA 52804	-0-	0.008978
Byron E. Trapp 1251 Coventry Woods Drive Cincinnati, OH 45230	-0-	0.044888
Estate Robert Treichel BAD ADDRESS 1217 Douglas Street Omaha, NE 68102	-0-	0.022444
Ernest T. & Ruth H. Wallinder NO ADDRESS	-0-	0.035910
Ralph & Catherine Weaver BAD ADDRESS 7614 Hondo Street Downey, CA 90242	-0-	0.004489
G.L. & Christena B. Whitman BAD ADDRESS Box 2202 Waterloo, IA 50704	-0-	0.008978

**TOTAL WELL**

**100.0000000**

**100.0000000**

**ATTACHMENT NO. 3 – PAGE 9 OF 16**  
**Dugan Production Corp.**

<u>Well Name</u>	<u>Pool</u>	<u>Location</u>	<u>Spacing Unit</u>
Federal I Com 103S	Harper Hill FR Sand PC	NESE 12-29N-14W	SE/4-149.53A

INTEREST OWNERS

	<u>INTEREST%</u>	
	<u>Gross</u>	<u>Net</u>
<u>Working Interest</u>		
Dugan Production Corp.	90.850003	80.330121
Cross Timbers Energy LLC 400 W. Seventh Street Fort Worth, TX 76102	9.058377	7.926085
United Food Stores 7-11 Attn: Mark Frazer 900 Schofield Lane Farmington, NM 87401	0.091620	0.091620
<u>Royalty</u>		
USA – c/o Bureau of Land Management 6251 College Blvd., Suite A Farmington, NM 87402	-0-	6.301406
Shannon K. Adcock 111 Dogwood Lane Clinton, TN 37716	-0-	0.034004
Diana Fay Akins 3020 Conifer Drive Largo, FL 33771	-0-	0.145182
Jerry Richard Akins 1403 Uxbridge Court Opelika, AL 36801	-0-	0.145182
Robert Cecil Akins 40 Tarpon Avenue, SE Rio Rancho, NM 87124	-0-	0.145182
William E. Baldwin NO ADDRESS	-0-	0.009285
L.R. & Lillie B. Ballantyne NO ADDRESS	-0-	0.018571
Stefine Bjorkedal NO ADDRESS	-0-	0.018571
Carol Brochu 6345 13 <sup>th</sup> Avenue S Richfield, MN 55423-1719	-0-	0.004643
Patti Jo Brochu 525 W. 3 <sup>rd</sup> St. Upper Rush City, MN 55069	-0-	0.004643
Daryl Gene & Eva Jean Burson P O Box 1687 Farmington, NM 87499-1687	-0-	0.488196
Jack I. Clow NO ADDRESS	-0-	0.009208
John O. Cotton NO ADDRESS	-0-	0.009286
Marie M. Dill 355 Kestrel Way Nipomo, CA 93444	-0-	0.580726
Erik M. Gallemore 14303 Old Castle San Antonio, TX 78217	-0-	0.034008

Shawna L. Gallemore 1334 Stone Crop Ct. Las Cruces, NM 88007	-0-	0.034004
Twila M. Goodding Trust 1009 Crestview Circle Farmington, NM 87401	-0-	0.928558
George N. & Gertrude S. Grinsteiner BAD ADDRESS 1601 E. New York Street Indianapolis, IN 36204	-0-	0.009286
O. Calleen Hackney 1336 Golden Rod Ct. Las Cruces, NM 88007	-0-	0.034004
Shane T. Hackney 3232 Langley Dr. Plano, TX 75025	-0-	0.034004
Hoo Doo LLC Dimmick Family Partners P O Box 1395 Flora Vista, NM 87415	-0-	0.170024
Dewayne & Dolly Horton 41 CR 5359 Bloomfield, NM 87413	-0-	0.580726
Betty Jo Hulse NO ADDRESS	-0-	0.018571
Charles Jaakola 7749 Mississippi Lane Brooklyn Park, MN 55444-2149	-0-	0.004643
Robert F. & Janice A. Johnston 605 Parkland Drive Aztec, NM 87410	-0-	0.097156
Casimer & Rosemarie Lewanski BAD ADDRESS 1207 60 <sup>th</sup> Street Cleveland, OH 44103	-0-	0.009286
Anthony V. Magerscak & Lynn Cherly NO ADDRESS	-0-	0.018571
Joe M.L. Melton Estate Karen Sue Allen, Independent Executrix BAD ADDRESS	-0-	0.009286
Sheri Lynn Mendoza P O Box 65 Bent, NM 88314	-0-	0.145182
Frank W. Packwa NO ADDRESS	-0-	0.009286
A. J. Pedersen NO ADDRESS	-0-	0.009286
Lena C. Poole NO ADDRESS	-0-	0.018571
James W. & Kathy E. Pope 4315 W. Hopi Farmington, NM 87401	-0-	0.041798
Troy L. & Pauline Pope 4315 W. Hopi Farmington, NM 87401	-0-	0.602304

Verna Risku BAD ADDRESS 409 9 <sup>th</sup> Street North Virginia, MN 55792-2361	-0-	0.004643
Don K. Robertson 19 Weaver Drive Ottumwa, IA 52501	-0-	0.018571
Mary Ann Ruwwe Rev. Tst Vernon Ruwwe, Trustee 723 Horsethief Lane Durango, CO 81301	-0-	0.244234
Noble B. Schaefer Estate c/o Merline W. Call 609 S. Grand Ave. Los Angeles, CA 90017	-0-	0.009286
John Schoenborn NO ADDRESS	-0-	0.018571
John E. & Treasea Schramek BAD ADDRESS 2622 Avers Ave. #1 Chicago, IL 60623	-0-	0.092856
Almond C. Schroeder NO ADDRESS	-0-	0.018571
Carole A. Shank 17586 E. Crestline Ave. Centennial, CO 80015	-0-	0.244234
Shriners Hospital for Children c/o Northern Trust Bank of Texas Attn: Davilyn Gray P O Box 226270 Dallas, TX 75222	-0-	0.018571
Sisters of Humility of Mary 820 W. Central Park Davenport, IA 52804	-0-	0.018571
Byron E. Trapp 1251 Coventry Woods Drive Cincinnati, OH 45230	-0-	0.092856
Estate of Robert Treichel NO ADDRESS	-0-	0.046428
Ernest T. & Ruth H. Wallinder NO ADDRESS	-0-	0.074285
Ralph & Catherine Weaver BAD ADDRESS 9865 Sunglow St. Pico Rivera, CA 90660	-0-	0.009286
G. L. & Christena B. Whitman NO ADDRESS	-0-	0.018571

**TOTAL WELL**

100.000000

100.000000

**ATTACHMENT NO. 3 – PAGE 12 OF 16**  
**Dugan Production Corp.**

<u>Well Name</u>	<u>Pool</u>	<u>Location</u>	<u>Spacing Unit</u>
Jacobs Corn #90S	Basin Fruitland Coal	SE/W 25-30N-14W	NE/4 Sec 26, NW/4 Sec 25-320.0A
Jacobs Corn #90S	Harper Hill FR Sand PC	SE/W 25-30N-14W	NE/4 Sec 26, NW/4 Sec 25-160.0A

INTEREST OWNER

INTEREST%

Working Interest

Dugan Production Corp.

87.500000

73.937500

Jim L. & Mary Lou Jacobs Lvg. Tst.  
3505 Crescent Ave.  
Farmington, NM 87401

12.500000

10.687500

Royalty

USA – c/o Bureau of Land Management  
6251 College Blvd.  
Farmington, NM 87402

-0-

12.500000

Overriding Royalty Interest

John F. Carpenter  
P O Box 999  
Sour Lake, TX 77659

-0-

0.6250000

Barbara Gibson  
P O Box 9038  
Midland, TX 79707

-0-

0.6250000

Charles F. Jacobs  
Winifred Jacobs Estate  
1000 SW Santa Fe Lake Road  
Towanda, KS 67144

-0-

1.0000000

Carol Winkel  
3300 North A Street Building 2, Ste 208  
Midland, TX 79705

-0-

0.6250000

**TOTAL WELL**

100.000000

100.000000

ATTACHMENT NO. 3 -- PAGE 13 OF 16  
Dugan Production Corp.  
O'Henry #2  
Harper Hill Fruitland Sand Pictured Cliffs  
Well Location: SESW 36, T30N, R14W  
Spacing Unit: SW/4 (173.8A)  
San Juan County, NM

<u>INTEREST OWNER</u>	<u>INTEREST%</u>	
	<u>Gross</u>	<u>Net</u>
<u>Working Interest</u>		
Dugan Production Corp.	100.000000	70.239660
<u>Royalty</u>		
USA - c/o Bureau of Land Management 6251 College Blvd. Farmington, NM 87402	-0-	12.500000
<u>Overriding Royalty Interest</u>		
ConocoPhillips P O Box 4289 Farmington, NM 87499-4289	-0-	15.043140
Edward & Juanita Lopez BAD ADDRESS 782 North Broad Street San Luis Obispo, CA 93401	-0-	0.359500
Ruby Maculsay BAD ADDRESS 873 Erie Street Oakland, CA 94610	-0-	0.119830
Martin A. Moe, Jr. 222 Gulfview Drive Islamorada, FL 33036	-0-	0.359500
James W. & Ella E. Post 1447 West 101 <sup>st</sup> Street Los Angeles, CA 90047	-0-	0.359500
Harper L. & Nellie A. Proctor BAD ADDRESS 402 Masonic Temple Building Jacksonville, FL 32206	-0-	0.359500
Gisle W. Romo c/o Palmer W. Larson, Personal Rep. 13505 SE River Road Condo #336 Milwaukee, OR 97222	-0-	0.119830
Clara Sault C/o Palmer W. Larson, Personal Rep. 13505 SE River Road Condo #336 Milwaukee, OR 97222	-0-	0.119830
Ernest J. & Valerie M. Sill 30269 Cove View Street Sun City, CA 92587	-0-	0.419710
<b><u>TOTAL WELL</u></b>	<b><u>100.000000</u></b>	<b><u>100.000000</u></b>



ATTACHMENT NO. 3 – PAGE 14 OF 16  
Dugan Production Corp.  
Pan American Federal #1  
Basin Dakota  
Well Location: SESW 24, T30N, R14W  
Spacing Unit: W/2 (320.0A)  
San Juan County, NM

<u>INTEREST OWNERS</u>	<u>INTEREST%</u>	
	<u>Gross</u>	<u>Net</u>
<u>Working Interest</u>		
Dugan Production Corp.	100.000000	75.000000
<u>Royalty</u>		
USA – c/o Bureau of Land Management 6251 College Blvd. Farmington, NM 87402	-0-	12.500000
<u>Overriding Royalty Interest</u>		
BP America Production Co. P O Box 277897 Atlanta, GA 30384-7897	-0-	7.500000
John F. Carpenter P O Box 999 Sour Lake, TX 77659	-0-	1.666667
Barbara Gibson P O Box 9038 Midland, TX 79707	-0-	1.666666
Carol Winkel 3300 North A Street Building A, Suite 208 Midland, TX 79705	-0-	1.666667
<b><u>TOTAL WELL</u></b>	<b><u>100.000000</u></b>	<b><u>100.000000</u></b>

**ATTACHMENT NO. 3 – PAGE 15 OF 16**  
**Dugan Production Corp.**

<u>Well Name</u>	<u>Pool</u>	<u>Location</u>	<u>Spacing Unit</u>
Pan American Federal #3	Basin Fruitland Coal	SESW 24-30N-14W	W/2 – 320.0A
Pan American Federal #3	Harper Hill FR Sand PC	SESW 24-30N-14W	SW/4 – 160.0A

INTEREST OWNERS

	<u>Gross</u>	<u>Net</u>
<u>Working Interest</u>		
Dugan Production Corp.	100.000000	75.000000
<u>Royalty</u>		
USA – c/o Bureau of Land Management 6251 College Blvd. Farmington, NM 87402	-0-	12.500000
<u>Overriding Royalty Interest</u>		
BP America Production Co. P O Box 277897 Atlanta, GA 30384-7897	-0-	7.500000
John F. Carpenter P O Box 999 Sour Lake, TX 77659	-0-	1.666667
Barbara Gibson P O Box 9038 Midland, TX 79707	-0-	1.666666
Carol Winkel 3300 North A Street Building A, Suite 208 Midland, TX 79705	-0-	1.666667
 <b>TOTAL WELL</b>	 <u>100.000000</u>	 <u>100.000000</u>

**ATTACHMENT NO. 3 – PAGE 16 OF 16**  
**Dugan Production Corp.**

<u>Well Name</u>	<u>Pool</u>	<u>Location</u>	<u>Spacing Unit</u>
Winifred Com #90S	Basin Fruitland Coal	NWSW 25-30N-14W	SE/4 Sec 26 SW/4 Sec 25 320.36A
Winifred Com #90S	Harper Hill FR Sand PC	NWSW 25-30N-14W	SW/4 Sec 25 – 160.36A

**INTEREST OWNERS**

	<u>INTEREST%</u>	
	<u>Gross</u>	<u>Net</u>
<u>Working Interest</u>		
Dugan Production Corp.	100.000000	80.757700
<u>Royalty</u>		
USA – c/o Bureau of Land Management 6251 College Blvd. Farmington, NM 87402	-0-	9.378600
Lisa Ann Harbin 4130 Duneberry Trail Humble, TX 77346-1887	-0-	1.560700
Joseph O. & Cicily M. Muench Family Trust Joseph O. Muench Trustee, Trust B P O Box 779 Placitas, NM 87043	-0-	1.560700
<u>Overriding Royalty Interest</u>		
BP America Production Company P O Box 277897 Atlanta, GA 30384-7897	-0-	3.745780
John F. Carpenter P O Box 999 Sour Lake, TX 77659	-0-	0.832367
Barbara Gibson P O Box 9038 Midland, TX 79707	-0-	0.832366
Jim L. & Mary Lou Jacobs Living Trust 3505 Crescent Ave. Farmington, NM 87401	-0-	0.249710
Forrest Jacobs 1000 SW Santa Fe Lake Road Towanda, KS 67144-9213	-0-	0.249710
Carol Winkel 3300 North A Street Building A, Suite 208 Midland, TX 79705	-0-	0.832367
<b><u>TOTAL WELL</u></b>	<b><u>100.000000</u></b>	<b><u>100.000000</u></b>

**Attachment No. 4**  
**Interest Ownership Notification**  
**Dugan Production Corp.'s Application dated 3/17/15**  
**Proposing the Addition of 11 to the Gathering Systems**  
**Dugan Production's Tabor Gas Gathering Systems**

As evidence that all interest ownership in the subject wells have been given notice of Dugan's application, attached is:

1. A copy of Dugan's transmittal letter dated 3/17/15 used to send copies of the subject application to the 16 working interest owners in addition to Dugan Production. Of the 11 wells proposed, four proposed wells have working interest owners other than Dugan Production Corp. Dugan Production holds 100% of the working interest in 7 of the 11 wells. All letters were sent by certified mail with a return receipt requested. Upon receiving the cards, copies will be sent to the NMOCD.
2. Copy of Dugan's letter dated 3/17/15 used to send notice and a detailed description of the subject application to the 37 of the 59 fee royalty plus 13 of the 16 overriding royalty interest owners. Complete copies of the application were offered to any of the fee royalty or ORRI owners desiring to receive a copy. All letters were sent by certified mail with a return receipt requested. Upon receiving the receipts, copies will be sent to the NMOCD. It should be noted that one of the fee owners (Hoo Doo, LLC), and one of the ORRI owners (Jim & Mary Lou Jacobs) also have working interest ownerships and were not sent this letter since they received the complete application distributed in Item No. 1 above. In addition, 22 of the fee royalty owners listed, and three of the ORRI owners are known to have bad addresses and were not sent copies of this letter. Their notice will be provided by the newspaper advertisement presented below in Item No. 3.
3. Copy of the newspaper advertisement scheduled to be published in the 3/15/15 issue of the Farmington Daily Times regarding the subject application. This publication is being made in anticipation that of the 90 interest owners, there will be at least one notice either returned for some reason or the return receipt will be lost in the mail.



# dugan production corp.

Attachment 5  
page 2 of 9

March 17, 2015

CERTIFIED RETURN  
RECEIPT REQUESTED

Working Interest Owners  
Wells connected or to be connected to  
Dugan Production's Tabor Gas Gathering Systems  
(Address List Attached)


Re: Proposed addition of 11 wells to Dugan's Tabor Gas Gathering System  
San Juan County, New Mexico

Dear Working Interest Owner,

According to our records, you have a working interest in one or more of the wells that is either currently connected or proposed to be connected to Dugan's Tabor Gathering System. The wells and interest owners are listed on the attached address list. Attached for your information and review is a complete copy of Dugan Production's application to the New Mexico Oil Conservation Division (NMOCD), Bureau of Land Management (BLM) and the State Land Office (SLO), requesting their approvals to add 11 wells to the Tabor Gas Gathering System which currently has 39 wells authorized. This will require surface commingling of gas production from the subject wells, plus the sale of gas at an off-lease central delivery sales meter (CDP). Attachment No. 1 presents a map of the gathering system with additions highlighted in blue. Attachment No. 2 presents information for each of the wells. Dugan Production will install all equipment and will operate and maintain the gathering system and central battery facilities. As a working interest owner, your only costs associated with the gathering system will be a fee charged for gathering and compression. You will not be billed for any costs associated with installing the gathering system (including the allocation meters). Dugan Production's current company-wide gathering system fee is \$0.27/MMBTU, and our compression fee is \$0.09/MMBTU. These fees will be used until operating economics indicate the need for revisions. The wells to be added should not affect your interest in wells that are currently connected to the gathering system. This proposal will allow for optimum operations on all wells and will allow all wells to benefit from central compression which should keep wellhead operating pressures as low as possible. This method of operation will help to keep our operating expenses as low as possible, and will allow for the recovery of more of the gas reserves from each well.

This matter does not require any action on your part. Current NMOCD regulations require that all interest owners (those in the existing system and those being added) receive notice of proposed additions to gathering systems. Should you have any questions, need additional information, or have any concern as to our proposal, please let me know. Should you have an objection to our proposal, please let me know, or you can contact the New Mexico Oil Conservation Division directly at 1220 South St. Francis Drive, Santa Fe, NM 87505, and we would appreciate receiving a copy of your objection. Objections should be filed within 20 days after the NMOCD receives our application which will be approximately 3-20-15.

Sincerely,

  
Kevin Smaka  
Production Engineer

KS/tmf

Attachments

xc: New Mexico Oil Conservation Division, Bureau of Land Management, State Land Office, BIA

# dugan production corp.

March 17, 2015

CERTIFIED RETURN  
RECEIPT REQUESTED

Royalty & Overriding Royalty Interest Owners  
Wells connected or to be connected to  
Dugan Production's Tabor Gathering Systems  
(Address List Attached)


Re: Proposed addition of 11 wells to Dugan's Tabor Gas Gathering Systems  
San Juan County, New Mexico

Dear Interest Owner,

According to our records, you have a royalty and/or overriding royalty interest in one or more of the wells that is either currently connected or proposed to be connected to Dugan's Tabor Gas Gathering System. The wells and interest owners are listed on the attached address list. Dugan Production is currently preparing an application to the New Mexico Oil Conservation Division (NMOCD), Bureau of Land Management (BLM), State Land Office (SLO), and Bureau of Indian Affairs (BIA) requesting their approvals to add 11 wells to the Tabor Gas Gathering System which currently has 39 wells authorized. This will require surface commingling of gas production from the subject wells, plus the sale of gas at an off-lease central delivery sales meter (CDP). Attachment No. 1 presents a map of the consolidated gathering system with additions highlighted in blue. Attachment No. 2 presents information for each of the wells. Dugan Production will install all equipment and will operate and maintain the gathering system and central battery facilities. Since your interest in these wells is either a royalty or overriding royalty, there are no costs chargeable to you. The wells to be added should not affect your interest in wells that are currently connected to the gathering system. Should you have interest in the wells to be added, it will allow these wells to begin selling produced natural gas for the benefit of all interest owners. This proposal will allow for optimum operations on all wells and will allow all wells to benefit from central compression which should keep wellhead operating pressures as low as possible. This method of operation will help to keep our operating expenses as low as possible, and will allow for the recovery of more of the gas reserves from each well.

This matter does not require any action on your part. Current NMOCD regulations require that interest owners in the wells being added receive notice of proposed additions to gathering systems. Should you have any questions, need additional information, desire to receive a complete copy of our application, or have any concern as to our proposal, please let me know. Should you have an objection to our proposal, please let me know, or you can contact the New Mexico Oil Conservation Division directly at 1220 South St. Francis Drive, Santa Fe, NM 87505, and we would appreciate receiving a copy of your objection. Objections should be filed within 20 days after the NMOCD receives our application which will be approximately 3-20-15.

Sincerely,

  
Kevin Smaka  
Production Engineer

KS/tmf

Attachments

xc: New Mexico Oil Conservation Division, Bureau of Land Management, State Land Office

Consolidated Tabor Gas Gathering System Interest Owners Address List

(wells with ownership interest in parentheses)

a=Carpenter 1E; b=Federal I Com 101S; c=Federal I Com 102 FC; d=Federal I Com 102 PC; e=Federal I Com 102S FC; f=Federal I Com 102S PC; g=Federal I Com 103 & 103S FC; h=Federal I Com 103S PC; i=Jacobs Com 90S; j=O'Henry 2; k=Pan American Federal 1; l=Pan American Federal 3; m=Winifred Com 90S

Attachment 5

Page 4 of 9

Working Interest Owners

Dugan Production Corp. (all)  
P. O. Box 420  
Farmington, NM 87499-0420

John Butler (g)  
BAD ADDRESS  
5201 Ironwood Drive  
Farmington, NM 87402

Hoo Doo, LLC (g)  
Dimmick Family Partners  
P O Box 1395  
Flora Vista, NM 87415

Ricky L. & Shermann S. Marcy (g)  
P O Box 2098  
Farmington, NM 87499-2098

Rio Finance (g)  
BAD ADDRESS  
8211 East 96<sup>th</sup> Ave.  
Henderson, CO 80640

United Food Store #34 (g,h)  
Attn: Mark Frazer  
900 Schofield Lane  
Farmington, NM 87401

Mary Yazzie (g)  
1713 Meadow Lark Ave.  
Farmington, NM 87401

Cross Timbers Energy LLC (c,d,e,f,g,h)  
501 Westlake Park Blvd.  
Houston, TX 77079-3092

City of Farmington (g)  
Attn: Jay Burnham, City Atty  
800 Municipal Drive  
Farmington, NM 87401

Jim L. & Mary Lou Jacobs Trust (i)  
3505 Crescent Ave.  
Farmington, NM 87401

Jack L. Moore (g)  
2316 11<sup>th</sup> Street  
Farmington, NM 87401

Sherman & Helen R. Singleton Trust (g.)  
P O Box 2001  
Farmington, NM 87499-2001

Westerman Realty Interest, LLC (g)  
P O Box 226406  
Dallas, TX 75222-6406

Richard M. & Rena Bibo (g)  
5401 Rinconada Street  
Farmington, NM 87402

Harper Hill RV & Self Storage, LLC (g)  
4500 Lomas Street  
Farmington, NM 87401

J.D. Kinsey (g)  
c/o Steve Kinsey  
100 Olde Oak  
Georgetown, TX 78633

Carl Joe & Katherine M Peskor (g)  
P O Box 594  
Farmington, NM 87499-0594

State Highway Department of NM (c,e,f)  
P O Box 1149  
Santa Fe, NM 87504-1149

Wytex Properties, LLC (g)  
25528 Genessee Trail Road  
Golden, CO 80401

Royalty Interest Owners

Shannon K. Adcock (g,h)  
111 Dogwood Lane  
Clinton, TN 37716

Robert Cecil Akins (g,h)  
40 Tarpon Avenue, SE  
Rio Rancho, NM 87124

Stefine Bjorkedal(g,h)  
NO ADDRESS  
Kirtland, NM 87417-1227

Daryl Gene & Eva Jean Burson (g,h)  
P O Box 1687  
Farmington, NM 87499

John O. Cotton (g,h)  
NO ADDRESS  
Farmington, NM 87402

Farmington Construction (g)  
1030 Walnut Drive  
Farmington, NM 87401

Erik M. Gallemore (g,h)  
14303 Old Castle  
San Antonio, TX 78217

Chad Greenwade (g)  
8 Road 6427  
Kirtland, NM 87417

Shane T. Hackney (g,h)  
3232 Langley Drive  
Piano, TX 75025

Dewayne & Dolly Horton (g,h)  
41 CR 5359  
Bloomfield, NM 87413

Jerris Group, LLP (g)  
8407 E. Rancho Vista Drive  
Scottsdale, AZ 85257

Casimer & Rosemarie Lewanski (g,h)  
BAD ADDRESS  
1207 60<sup>th</sup> Street  
Cleveland, OH 44103

Joe Melton (g,h)  
c/o Karen Sue Allen, Executrix  
BAD ADDRESS  
5310 S. California Ave.  
Chicago, IL 60632

Diana Fay Akins (g,h)  
3020 Conifer Drive  
Largo, FL 33771

William Baldwin (g,h)  
NO ADDRESS

Carol J. Brochu (g,h)  
6345 13<sup>th</sup> Avenue S.  
Richfield, MN 55423-1719

Civco, LLC (g,h)  
BAD ADDRESS  
3809 Atrisco NW Suite C  
Albuquerque, NM 87120

Jean Cox-Lovell (d)  
R&C Investment  
3505 N. Mesa Verde  
Farmington, NM 87401

Navajo Nation, Minerals Dept (f)  
Attn: Akhtar Zaman  
P O Box 9000  
Window Rock, AZ 86515

Shawna Gallemore (g,h)  
1334 Stone Crop Ct.  
Las Cruces, NM 88007

George N. & Gertrude S. Grinsteiner (g,h)  
BAD ADDRESS  
1601 E. New York Street  
Indianapolis, IN 36204

Lisa Ann Harbin (m)  
4130 Duneberry Trail  
Humble, TX 77346-1887

Betty Jo Hulse (g,h)  
BAD ADDRESS  
5654 Delmar Blvd.  
St. Louis, MO 63112

Joe & Stan, LLC (g)  
P O Box 629  
Farmington, NM 87499

Anthony V. Magerscak & Lynn Cherly (g,h)  
BAD ADDRESS  
573 S. Beach Street  
Bryan, OH 43506

Sheri Lynn Mendoza (g,h)  
P O Box 65  
Bent, NM 88314

Jerry Richard Akins (g,h)  
1403 Uxbridge Court  
Opelika, AL 36801

L.R. & Lillie B. Ballantyne (g,h)  
NO ADDRESS

Patti Jo Brochu (g,h)  
525 W. 3<sup>rd</sup> St. Upper  
Rush City, MN 55069

Jack I. Clow (g,h)  
NO ADDRESS

Marie M. Dill (g,h)  
355 Kestrel Way  
Nipomo, CA 93444

Matthew Flack (g)  
626 W. Animas  
Farmington, NM 87401

Twila M. Goodding Trust (g,h)  
1009 Crestview Circle  
Farmington, NM 87401

O. Calleen Hackney (g,h)  
1336 Golden Rod Ct.  
Las Cruces, NM 88007

Hoo Doo, LLC (g,h)  
Dimmick Family Partners  
P O Box 1395  
Flora Vista, NM 87415

Charles Jaakola (g,h)  
7749 Mississippi Lane  
Brooklyn Park, MN 55444-2149

Robert F. & Janice A. Johnston (g,h)  
605 Parkland Drive  
Aztec, NM 87410

E.B. Mann (d)  
P O Box 1769  
Bloomfield, NM 87413

Joseph O. & Cicily M Muench Family Tst (m)  
Joseph O. Muench Trustee, Trust B  
P O Box 779  
Placitas, NM 87043

Royalty Interest Owners (cont.)

Frank N. Packwa (g,h)  
BAD ADDRESS  
5310 S. California Ave.  
Chicago, IL 60632

James W. & Kathy E. Pope (g,h)  
4315 W. Hopi  
Farmington, NM 87401

Don K. Robertson (g,h)  
19 Weaver Drive  
Ottumwa, IA 52501

John Schoenborn (g,h)  
NO ADDRESS

Carole A. Shank, an unmarried woman (g,h)  
17586 E. Crestline Ave.  
Centennial, CO 80015

Byron Trapp (g,h)  
1251 Coventry Woods Drive  
Cincinnati, OH 45230

Ralph & Catherine Weaver (g,h)  
BAD ADDRESS  
7614 Hondo Street  
Downey, CA 90242

A.J. Pedersen (g,h)  
BAD ADDRESS  
2200 Stroud Ave.  
Kingsburg, CA 93631

Troy L. & Pauline Pope (g,h)  
4315 W. Hopi  
Farmington, NM 87401

Mary Ann Ruwwe Revocable Trust (g,h)  
Vernon Ruwwe, Trustee  
723 Horsethief Lane  
Durango, CO 81301

John E. & Treasea Schramek (g,h)  
BAD ADDRESS  
2622 Avers Ave. #1  
Chicago, IL 60623

Shriners Hospital (g,h)  
c/o Northern Trust Bank of Texas  
Attn: Davilyn Gray  
P O Box 226270  
Dallas, TX 75222

Estate of Robert Treichel (g,h)  
BAD ADDRESS  
1217 Douglas Street  
Omaha, NE 68102

G.L. Christena B. Whitman (g,h)  
BAD ADDRESS  
Box 2202  
Waterloo, IA 50704

Lena C. Poole (g,h)  
BAD ADDRESS  
3053 123<sup>rd</sup> Street  
Toledo, OH 43611

Verna Risku (g,h)  
BAD ADDRESS  
409 9<sup>th</sup> Street North, Apt #223  
Virginia, MN 55792-2361

Noble B. Schaefer Estate (g,h)  
c/o Merline W. Call.  
609 S. Grand Ave.  
Los Angeles, CA 90017

Almond C. Schroeder (g,h)  
NO ADDRESS

Sisters of the Humility (g,h)  
820 W. Central Park  
Davenport, IA 52804

Ernest T. & Ruth H. Wallinder (g,h)  
NO ADDRESS

Overriding Royalty Interest Owners

BP America Production Co. (k,l,m)  
P O Box 277897  
Atlanta, GA 30384-7897

Barbara Gibson (a,i,k,l,m)  
P O Box 9038  
Midland, TX 79708

Jim & Mary Lou Jacobs Trust (m)  
3505 Crescent Ave.  
Farmington, NM 87401

Martin Moe, Jr. (j)  
222 Gulfview Drive  
Islamorada, FL 33036

Gisle Romo (j)  
c/o Palmer W. Larson Personal Rep.  
13505 SE River Road Condo #336  
Milwaukee, OR 97222

Carol Winkel (a,i,k,l,m)  
3300 North A Street, Bldg 2, Suite 208  
Midland, TX 79705

John Carpenter (a,i,k,l,m)  
P O Box 999  
Sour Lake, TX 77659

Charles F. Jacobs (j)  
Winifred Jacobs Estate  
1000 SW Santa Fe Lake Road  
Towanda, KS 67144

Edward & Juanita Lopez (j)  
BAD ADDRESS  
728 North Broad Street  
San Luis Obispo, CA 93401

James & Ella Post (j)  
1447 West 101<sup>st</sup> Street  
Los Angeles, CA 90047

Clara Sault (j)  
c/o Palmer W. Larson, Personal Rep.  
13505 SE River Road Condo #336  
Milwaukee, OR 97222

ConocoPhillips (j)  
P O Box 4289  
Farmington, NM 87499-4289

Forrest Jacobs (m)  
1000 SW Santa Fe Lake Road  
Towanda, KS 67144

Ruby Maculsay (j)  
BAD ADDRESS  
873 Erie Street  
Oakland, CA 94610

Harper & Nellie Proctor (j)  
BAD ADDRESS  
402 Masonic Temple Bldg  
Jacksonville, FL 32206

Ernest & Valerie Sill (j)  
30269 Cove View Street  
Sun City, CA 92587

Attachment 5  
page 5 of 9





ATTACHMENT NO. 2  
DUGAN PRODUCTION CORP.  
TABOR GATHERING SYSTEMS 3/17/15  
CENTRAL DELIVERY SALES METER (ENTERPRISE METER NO. 90887) A-2-29N-14W  
SAN JUAN COUNTY, NEW MEXICO

Well Name	API No. 30-045-	Well Location	Well Location		CA Number	Pool	Completion Date ①	Current Prod. ②			Spacing Unit	Dates for SC, OLM & S ③			
		UL-Sec-Twn-Rng	Lease No.	Lse. Type				MCFD	BC/D	BWPD		Application	BLM Approval	NMSLO Approval	NMOCD Approval
WELLS TO BE ADDED TO SYSTEM (11 wells) (17 COMPLETIONS)															
Carpenter 1E	23613	F-25-30N-14W	NM0206994	Federal	SW968	Basin DK	9/29/1979	8	0	0	W/2-320.36A				
Federal I 101S	34294	I-1-29N-14W	SF078110	Federal	N/A	Basin Fruitland Coal	4/2/2008	77	0	82	S/2-320A				
Federal I Com 102 FC	31792	A-12-29N-14W	14206032198	Indian	NMNM112517	Basin Fruitland Coal	8/19/2005	46	0	29	E/2-320A				
Federal I Com 102 PC	31792	A-12-29N-14W	14206032198	Indian	NMNM112517	Harper Hill FR Sand-PC	8/19/2005	41	0	25	NE/4-160A				
Federal I Com 102S FC	35013	I-12-29N-14W	FEE (XTO)	FEE	NMNM112517	Basin Fruitland Coal	1/7/2011	38	0	19	E/2-320A				
Federal I Com 102S PC	35013	I-12-29N-14W	FEE (XTO)	FEE	NMNM112517	Harper Hill FR Sand-PC	1/7/2011	34	0	17	SE/4-160A				
Federal I Com 103	32587	E-12-29N-14W	FEE(10015)	FEE	NMNM132276	Basin Fruitland Coal	7/26/2005	58	0	17	W/2-309.32A				
Federal I Com 103S FC	35348	M-12-29N-14W	FEE (XTO)	FEE	NMNM132276	Basin Fruitland Coal	10/31/2013	0	0	0	W/2-309.32A				
Federal I Com 103S PC	35348	M-12-29N-14W	FEE (XTO)	FEE	NMNM132276	Harper Hill FR Sand-PC	10/31/2013	0	0	0	SW/4-149.53A				
Jacobs Com 90S FC (Note 4)	33683	F-25-30N-14W	NM0206994	Federal	NMNM117798	Basin Fruitland Coal	10/24/2006	59	0	22	NE/4 Sec 26, NW/4 Sec 25-320A				
Jacobs Com 90S PC (Note 4)	33683	F-25-30N-14W	NM0206994	Federal	NMNM117798	Harper Hill FR Sand-PC	10/24/2006	44	0	22	NW/4 Sec. 25-160A				
O'Henry 2	34922	N-36-30N-14W	E6714	State	N/A	Harper Hill FR Sand-PC	6/11/2010	43	0	110	SW/4-173.8A				
Pan American Federal 1	09337	N-24-30N-14W	SF081231B	Federal	N/A	Basin DK	9/11/1964	23	0	0	W/2-320A				
Pan American Federal 3 FC	33697	N-24-30N-14W	SF081231B	Federal	N/A	Basin Fruitland Coal	8/4/2006	35	0	19	W/2-320A				
Pan American Federal 3 PC	33697	N-2N-30N-14W	SF081231B	Federal	N/A	Harper Hill FR Sand-PC	8/4/2006	26	0	19	SW/4-160A				
Winifred Com 90S FC (Note 4)	33686	L-25-30N-14W	NM0206994	Federal	NMNM117802	Basin Fruitland Coal	10/13/2006	53	0	19	SE/4 Sec 26 SW/4 Sec 25-320.36A				
Winifred Com 90S PC (Note 4)	33686	L-25-30N-14W	NM0206994	Federal	NMNM117802	Harper Hill FR Sand-PC	10/13/2006	40	0	19	SW/4 Sec 25-160.36				
WELLS PREVIOUSLY APPROVED FOR TAVOR GATHERING SYSTEM (39 wells)															
Bayond Petroleum Com 90	30769	L-26-30N-14W	NM-33050	Federal	NMNM104941	Basin Fruitland Coal	12/13/2001	104	0	60	W/2-320A	8/14/2001	12/13/2001	8/29/2001	9/4/2001
Camp David Com 1	28428	G-36-30N-14W	VA-310	State	State C.A.	Basin Fruitland Coal	1/10/1991	205	0	48	E/2-323.59A	8/19/1997	9/22/1997	8/26/1997	12/2/1997
Camp David Com 1S	31637	I-36-30N-14W	E-3149	State	State C.A.	Basin Fruitland Coal	1/13/2003	138	0	29	E/2-323.59A	2/24/2004	4/26/2004	3/17/2004	3/22/2004
Camp David Com 2	30573	O-36-30N-14W	E-3149	State	State C.A.	Harper Hill FR Sand-PC	4/16/2001	16	0	41	SE/4-160A	2/24/2004	4/26/2004	3/17/2004	3/22/2004
Cline 1R	30995	P-33-30N-14W	FEE	FEE	NA	Twin Mounds FR Sand-PC	4/11/2002	17	0	32	SE/4-171.93A	2/24/2004	4/26/2004	3/17/2004	3/22/2004
Com 1	08722	J-2-29N-14W	LG-3736	State	NMNM91272	Basin Fruitland Coal	12/1/1990	68	0	37	E/2-316.65A	9/1/1999	10/1/1999	9/9/1999	9/22/1999
Com 1E	23940	A-2-29N-14W	LG-3736	State	14080017765	Basin Dakota	12/8/1979	0	0	40	E2-316.65A	7/12/1996	7/30/1996	7/17/1996	8/19/1996
Com 2 P&A'd 12/26/07	23199	A-2-29N-14W	LG-3736	State	State C.A.	Harper Hill FR Sand-PC	10/21/1978	0	0	0	NE-156.65A	7/12/1996	7/30/1996	7/17/1996	8/19/1996
Com 2R	30576	B-2-29N-14W	B-11242	State	State C.A.	Harper Hill FR Sand-PC	5/15/2001	13	0	5	NE/4-156.65A	8/14/2001	12/13/2001	8/29/2001	9/4/2001
Com 3	23267	J-2-29N-14W	LG-3736	State	SMR1419	Harper Hill FR Sand-PC	3/14/1979	0	0	0	SE/4-160A	9/1/1999	10/1/1999	9/9/1999	9/22/1999
Com 4	29986	C-2-29N-14W	B-11242	State	NMNM103068	Harper Hill FR Sand-PC	12/7/1999	21	0	105	NW-157.95A	3/29/2000	7/5/2000	4/27/2000	5/25/2000
Com 91	29935	L-2-29N-14W	V-5411	State	NMNM103067	Basin Fruitland Coal	12/6/1999	36	0	38	W/2-317.95A	5/30/2000	7/7/2000	6/27/2000	6/20/2000
Federal 14 P&A'd 5/3/05	20397	C-1-29N-14W	SF-078110	Federal	N/A	Harper Hill FR Sand-PC	10/3/1969	0	0	0	NW/4-157A	8/19/1997	9/22/1997	8/26/1997	12/2/1997
Federal 14R	30592	D-1-29N-14W	SF-078110	Federal	N/A	Harper Hill FR Sand-PC	7/5/2001	31	0	17	NW/4-157A	2/24/2004	4/26/2004	3/17/2004	3/22/2004
Federal 15R	29351	J-1-29N-14W	SF-078110	Federal	N/A	Harper Hill FR Sand-PC	12/16/1996	31	0	26	SE/4-160A	8/19/1997	9/22/1997	8/26/1997	12/2/1997
Federal 16 P&A'd 10/3/00	23207	G-1-29N-14W	SF-078110	Federal	N/A	Harper Hill FR Sand-PC	2/22/1979	0	0	0	NE/4-160A	8/19/1997	9/22/1997	8/26/1997	12/2/1997
Federal 17	30181	J-3-29N-14W	SF-078110	Federal	N/A	Harper Hill FR Sand-PC	7/14/2000	34	0	24	SE/4-160A	5/30/2000	7/7/2000	6/27/2000	6/20/2000
Federal 18	30178	C-11-29N-14W	SF-078110	Federal	N/A	Harper Hill FR Sand-PC	8/9/2000	12	0	11	NW/4-160A	5/30/2000	7/7/2000	6/27/2000	6/20/2000
Federal I Com 9	31789	C-12-29N-14W	SF-078110	Federal	N/A	Harper Hill FR Sand-PC	7/13/2005	139	0	52	NW/4-160A	2/24/2004	4/26/2004	3/17/2004	3/22/2004
Federal I 10	31033	J-10-29N-14W	SF-078110	Federal	N/A	Harper Hill FR Sand-PC	8/28/2002	13	0	38	SE/4-160A	2/24/2004	4/26/2004	3/17/2004	3/22/2004
Federal I 90	31032	E-11-30N-14W	SF-078110	Federal	N/A	Basin Fruitland Coal	8/28/2002	33	0	15	W/2-316.11A	2/24/2004	4/26/2004	3/17/2004	3/22/2004
Federal I 98	30180	B-10-29N-14W	SF-078110	Federal	N/A	Basin Fruitland Coal	7/31/2000	12	0	19	E/2-320A	5/30/2000	7/7/2000	6/27/2000	6/20/2000
Federal I 99	29989	H-3-29N-14W	SF-078110	Federal	N/A	Basin Fruitland Coal	12/9/1999	29	0	38	E2-318.45A	3/29/2000	7/5/2000	4/27/2000	5/25/2000
Federal I 100 (old 6R)	29991	B-1-29N-14W	SF-078110	Federal	N/A	Basin Fruitland Coal	7/17/2001	80	0	45	N/2-320A	2/24/2004	4/26/2004	3/17/2004	3/22/2004
Federal I 101 FC	31785	N-1-29N-14W	SF-078110	Federal	N/A	Basin Fruitland Coal	7/1/2005	61	0	15	S/2-320A	2/24/2004	4/26/2004	3/17/2004	3/22/2004
Federal I 101 PC	31785	N-1-29N-14W	SF-078110	Federal	N/A	Harper Hill FR Sand-PC	7/1/2005	54	0	14	SW/4-160A	2/24/2004	4/26/2004	3/17/2004	3/22/2004
Horace Smith 1R	24346	I-26-30N-14W	NM-0206994	Federal	SCR248	Basin Dakota	1/18/1981	5	0	28	S/2-320A	8/14/2001	12/13/2001	8/29/2001	9/4/2001
Jacobs 2 P&A'd 10/4/10	23942	G-26-30N-14W	NM-33050	Federal	N/A	Basin Dakota	1/7/1979	0	0	0	N/2-320A	8/14/2001	12/13/2001	8/29/2001	9/4/2001
Jacobs 3	30590	C-26-30N-14W	NM-33050	Federal	N/A	Harper Hill FR Sand-PC	6/5/2001	18	0	58	NW/4-160A	8/14/2001	12/13/2001	8/29/2001	9/4/2001
Jacobs Com 90 (Note 4)	30588	G-26-30N-14W	NM-33050	Federal	NMNM104859	Basin Fruitland Coal	6/5/2001	59	0	34	320A NSPU	8/14/2001	12/13/2001	8/29/2001	9/4/2001
Jiggs 1	30183	E-35-30N-14W	NM-0206995	Federal	N/A	Harper Hill FR Sand-PC	11/17/2000	21	0	29	NW-160A	6/30/2000	7/5/2000	7/7/2000	7/24/2000
Jiggs 2	30177	I-35-30N-14W	NM-0206995	Federal	N/A	Harper Hill FR Sand-PC	7/25/2000	12	0	26	SE-172.49A	6/30/2000	7/5/2000	7/7/2000	7/24/2000

Attachment 5  
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King Com 2	31116	J-11-29N-14W	SF-078110	Federal	NMNM114817	Basin Fruitland Coal	7/19/2005	52	0	11	E/2-320A	2/24/2004	4/26/2004	3/17/2004	3/22/2004
King Com 2	31116	J-11-29N-14W	SF-078110	Federal	NMNM102963	Harper Hill FR Sand-PC	7/19/2005	46	0	10	SE/4-160.13A	2/24/2004	4/26/2004	3/17/2004	3/22/2004
King Com 90	29883	B-11-29N-14W	FEE	FEE	NMNM102963	Basin Fruitland Coal	6/15/1999	128	0	22	E/2-320.13A	9/1/1999	10/1/1999	9/9/1999	9/22/1999
O'Henry 1	08958	N-36-30N-14W	E-6714	State	State C.A.	Basin Fruitland Coal	6/27/1991	24	0	89	W/2-320A	8/19/1997	9/22/1997	8/26/1997	12/2/1997
Mayre 4R	30591	O-27-30N-14W	NM-4465	Federal	N/A	Harper Hill FR Sand-PC	6/5/2001	16	0	42	SE/4-160A	8/14/2001	12/13/2001	8/29/2001	9/4/2001
Stella Needs a Com 2	30574	O-36-30N-14W	B-11571	State	State C.A.	Harper Hill FR Sand-PC	4/11/2001	13	0	26	NW/4-160A	8/14/2001	12/13/2001	8/29/2001	9/4/2001
Tabor Com 90	29994	H-35-30N-14W	NM-33051	Federal	NMNM102982	Basin Fruitland Coal	12/6/1999	22	0	0	E2-332.49A	3/29/2000	7/5/2000	4/27/2000	5/25/2000
Winifred 2 P&A'd 3/6/02	23200	G-35-30N-14W	FEE	FEE	SCR-141	Harper Hill FR Sand-PC	3/15/1979	0	0	0	NE/4-160A	8/19/1997	9/22/1997	8/26/1997	12/2/1997
Winifred Com 90 (Note 4)	30577	O-26-30N-14W	FEE	FEE	NMNM104848	Basin Fruitland Coal	5/15/2001	57	0	29	320.36A NSPU	8/14/2001	12/13/2001	8/29/2001	9/4/2001

Notes: N/A = Not Needed

1) Loc. = proposed general location

Loc. A = proposed location - staked

Loc. B = proposed location - APD submitted

2) Average production presents data for December, 2014.

3) Application for surface commingling (SC), off-lease measurement and sale (OLM & S) of natural gas. Applications are subject to approvals by the Bureau of Land Management (BLM), New Mexico State Land Office (NMSLO), and the New Mexico Oil Conservation Division (NMOCD).

4) NMOCD Order R-11461 established ±320A non-standard spacing units for the Jacobs Com No. 90 (NE/4 Section 26 plus NW/4 Section 25), and the Winifred Com No. 90 (SE/4 Section 26 plus SW/4 Section 25).

Well Name	Connection		Cumulative Production 1-1-15	
	Date	mcf	BO	BW
Carpenter 1E	6/1/1980	193,348	2,040	4,980
Federal I 101S	5/5/2008	217,523	0	218,197
Federal I Com 102 FC/PC	11/8/2005	830,476	0	363,297
Federal I Com 102S	2/1/2011	139,354	0	114,515
Federal I Com 103	9/23/2005	442,059	0	206,716
Federal I Com 103S FC/PC	4/29/2014	24,874	0	10,059
Jacobs Com 90S FC/PC	11/21/2006	196,270	0	162,875
O'Henry 2	5/28/2010	52,666	0	109,021
Pan American Federal 1	12/6/2006	595,722	3,526	3,408
Pan American Federal 3 FC/PC	11/7/2006	271,758	0	147,656
Winifred Com 90S FC/PC	11/7/2006	249,019	0	193,454

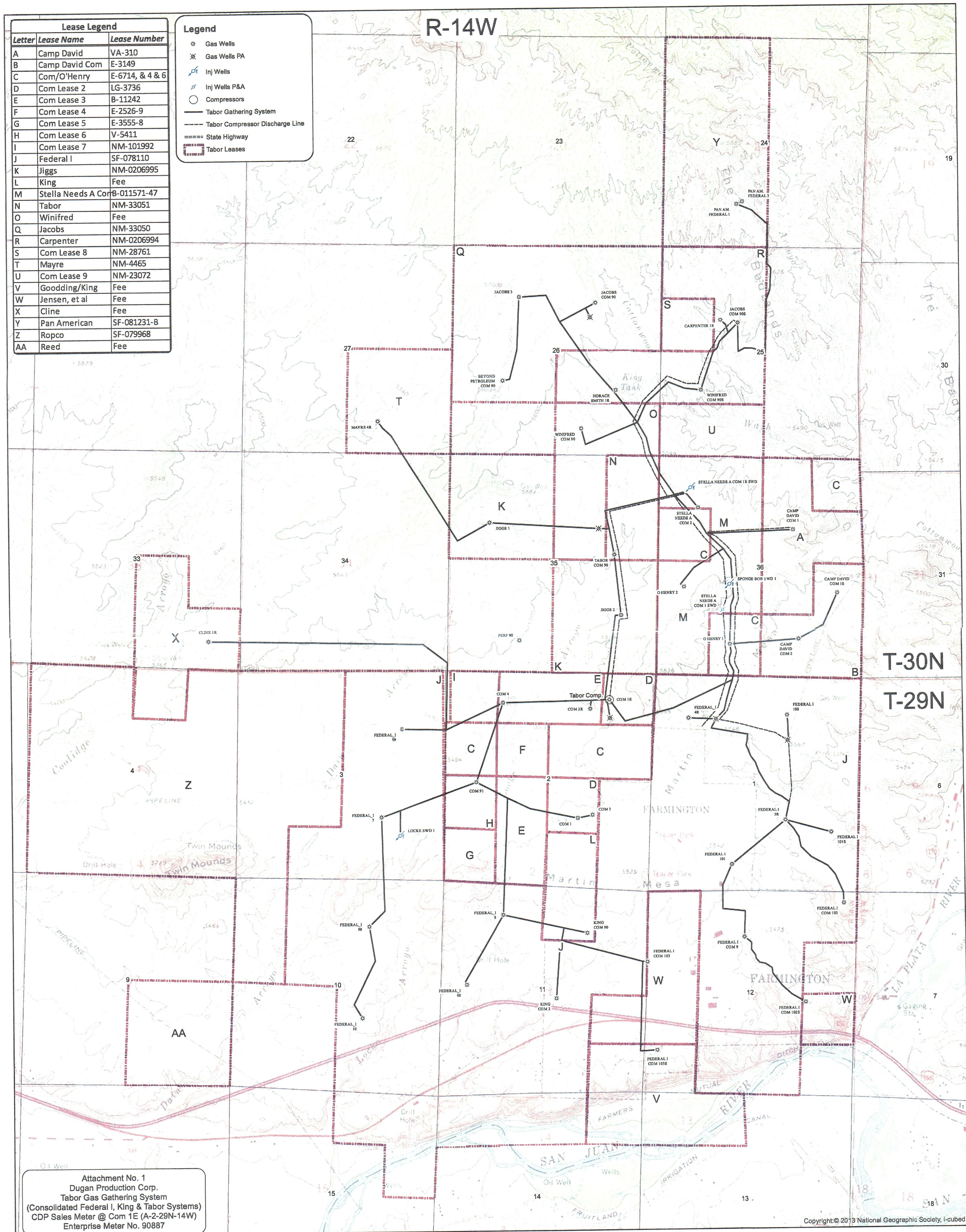
#### Attachment No. 4

This advertisement is scheduled to be published in the March 15, 2015 issue of the Farmington Daily Times. Upon publication, the Daily Times will provide an "Affidavit of Publication" which will be forwarded to the NMOCD upon receipt.

*Please place in the legal ads for the Sunday, March 15th publication of the Farmington Daily Times. If the ad will not be able to run in the 15<sup>th</sup> publication, please place in March 18<sup>th</sup> publication. Once the ad has been run, please contact Tyra Feil at 505-325-1821, and I will pick up.*

Dugan Production Corp. is applying to the New Mexico Oil Conservation Division (NMOCD), the Bureau of Land Management (BLM) and the New Mexico State Land Office (NMSLO), for regulatory approvals to add 11 existing wells to Dugan Production's Tabor Gathering System (TGS). This will require the surface commingling of produced natural gas and water plus the off-lease measurement and sale of natural gas. There will not be any commingling of oil or condensate. The wells to be added and the existing gathering system are located within Sections 1 and 12 Township 29N, Range 14W; plus Sections 24, 25, 36 of Township 30N, Range 14W all located in San Juan County, New Mexico. The central delivery gas sales meter is currently authorized for the NENE of Section 2, T-29N, R-14W with natural gas delivered to Enterprise Field Services. The gathering system currently has 39 wells authorized, which are completed in the Basin Fruitland Coal gas pool, Basin Dakota gas pool, Harper Hill Fruitland Sand PC gas pool, and Twin Mounds FR Sand-PC. The 11 wells to be added are all completed in the Basin Fruitland Coal gas pool, Basin Dakota gas pool, and Harper Hill Fruitland Sand-PC gas pool. All wells (existing and to be added) will be operated by Dugan Production Corp. and are located upon, or the spacing units include the following leases held by Dugan Production Corp.; Federal Leases NM-0206994, NM-0206995, NM-33050, NM-33051, NM-4465, NM-078110, NM-081231B; State Leases B-11242, B-11571, E-3149, E-6714, LG-3736, V-5411, VA-310; Navajo Allotted Lease 14206032198; and two fee leases. In addition to the leases held by Dugan Production, the spacing units include two fee leases held by XTO Energy, Inc. The wells to be added are: Dugan Production's Carpenter 1E; Federal 1 101S; Federal 1 Com 102 FC/PC; Federal 1 Com 102S FC/PC; Federal 1 Com 103; Federal 1 Com 103S FC/PC; Jacobs Com 90S FC/PC; O'Henry 2; Pan American Federal 1; Pan American Federal 3 FC/PC; Winifred Com 90S FC/PC. Any person holding an interest in any of these leases or wells may contact Dugan Production Corp. for additional information. Inquiries should be directed to John Roe at 505-325-1821 or by mail at P. O. Box 420, Farmington, NM 87499. Any objection or request for a formal hearing should be filed in writing with the NMOCD's Santa Fe Office within 20 days from the date of this publication. In the absence of objection, Dugan Production Corp. is requesting that the NMOCD approve its application administratively. The NMOCD's address is 1220 South St. Francis Drive, Santa Fe, NM 87505.







**ATTACHMENT No. 5**  
**Allocation Procedures 3/17/15**  
**Dugan Production Corp.'s**  
**Tabor Gathering System**  
**CDP : NENE-2-29N-14W (Enterprise Meter No. 90887)**  
**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.

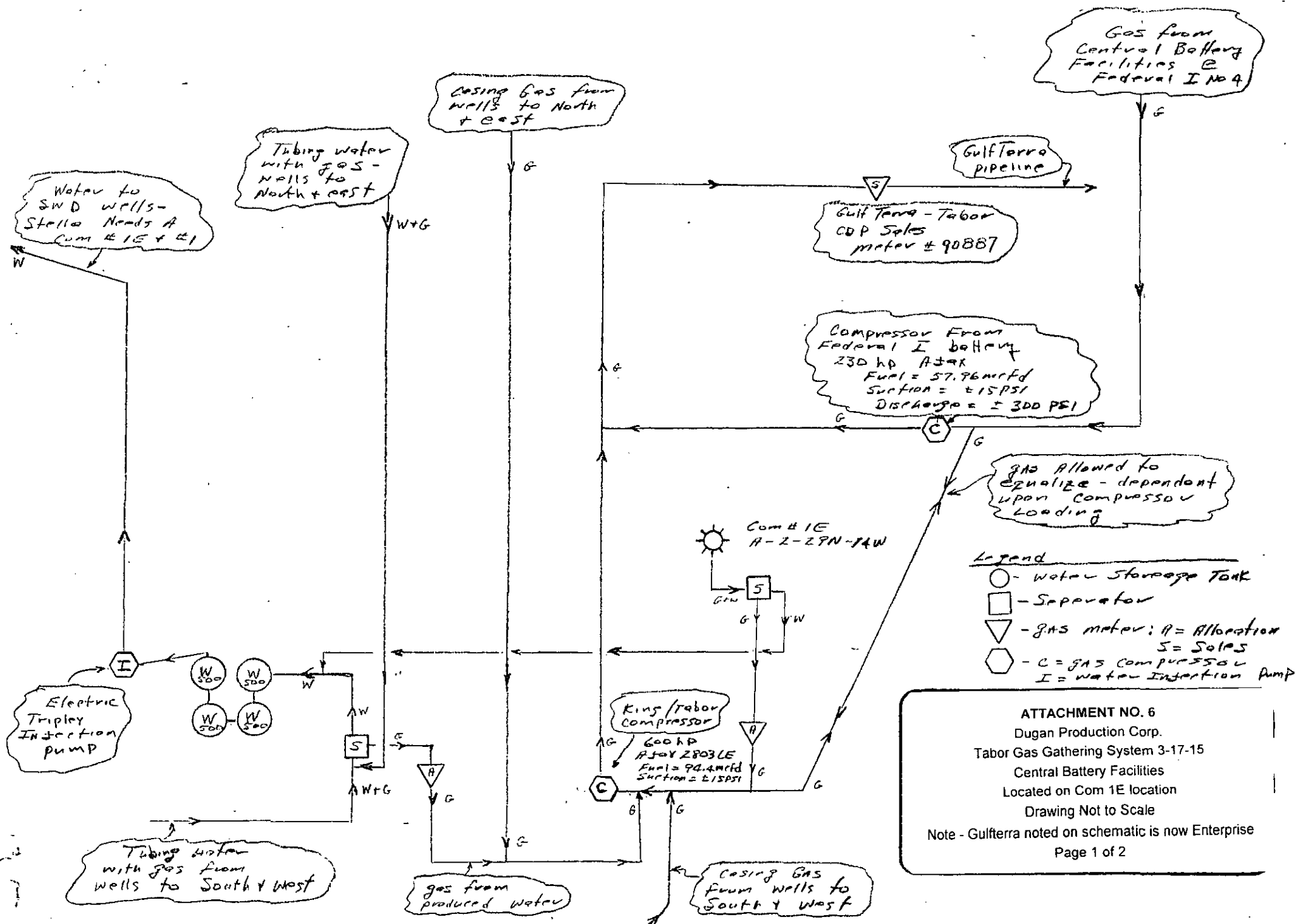
E = Allocated fuel from gathering system equipment, MCF. The total fuel required to operate gathering system equipment will be allocated to the individual wells benefiting from the equipment using allocation factors determined by  $W/\text{SUM } W$  for the wells involved.

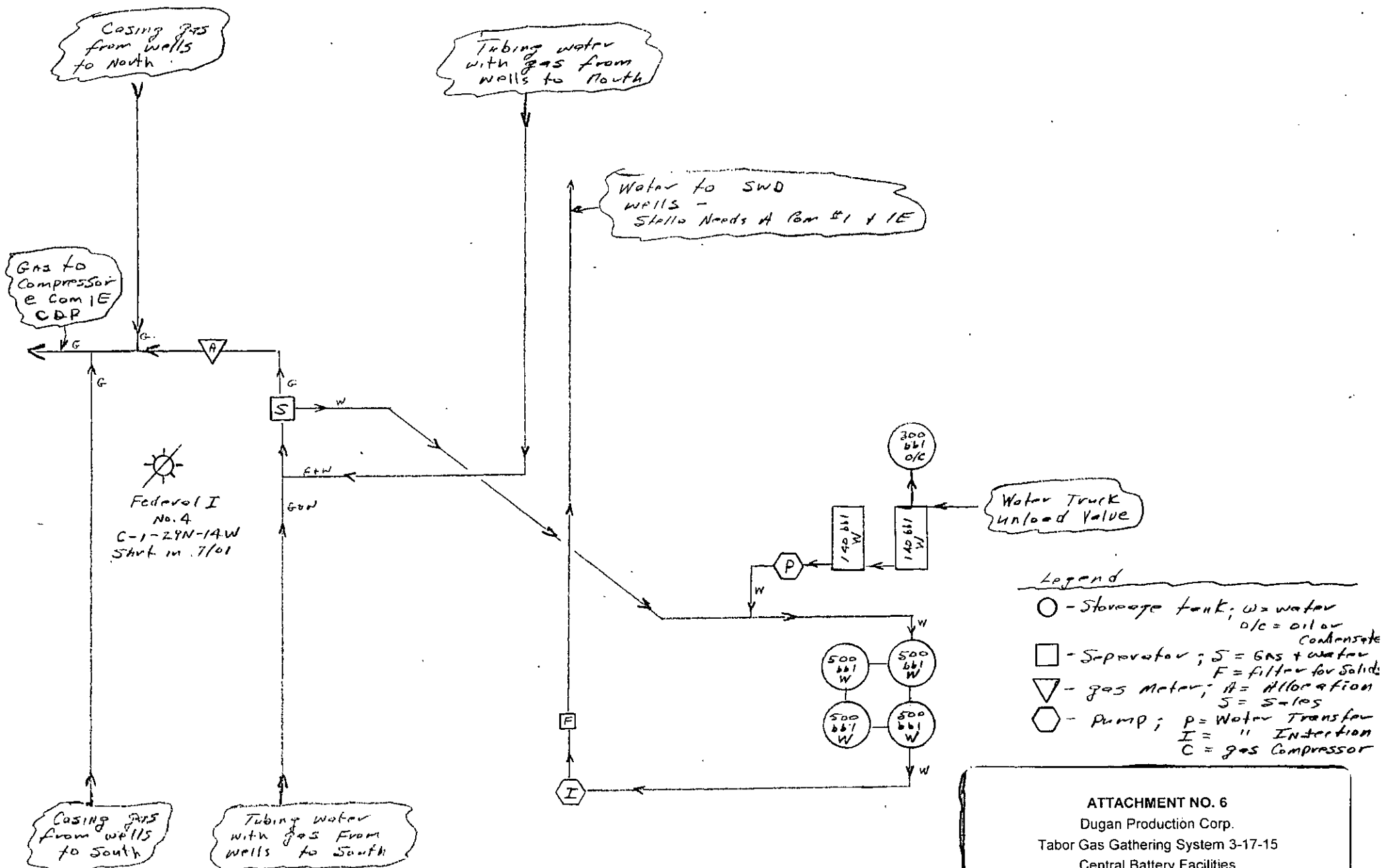
F = Allocated volume of gas lost and/or vented from the gathering system and/or gathering system equipment, MCF. The total volume will be determined using industry accepted procedures for the conditions existing at the time of the loss. All volumes corresponding to liquid condensation within the gathering 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 =  $(U/\text{Sum } U) \times V$ .





# ATTACHMENT NO. 6

Dugan Production Corp.

Tabor Gas Gathering System 3-17-15

Central Battery Facilities

Located on Federal I No. 4 location

Drawing Not to Scale

Page 2 of 2



District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr. Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

### OIL CONSERVATION DIVISION

1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original  
application to the Santa Fe  
office with one copy to the  
appropriate District Office.

#### APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Dugan Production Corporation

OPERATOR ADDRESS: Box 420 Farmington, NM 87499-0420

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☒ Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE: ☒ Fee ☒ State ☒ Federal

Is this an Amendment to existing Order? ☒ Yes ☐ No If "Yes", please include the appropriate Order No. \_\_\_\_\_

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☐ Yes ☐ No

#### (A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Basin DK	1325	1126		2250 MCFD	36
Basin Fruitland Coal	1036				1474
Harper Hill FR Sand-PC	1076				723
Twin Mounds FR Sand PC	1068				17

(2) Are any wells producing at top allowables? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.

(4) Measurement type: ☒ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

#### (B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

#### (C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

#### (D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☒ No

(2) Include proof of notice to all interest owners.

#### (E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: Kevin Smaka TITLE: Production Engineer DATE: 3-17-2015

TYPE OR PRINT NAME: Kevin Smaka TELEPHONE NO.: 505-325-1821

E-MAIL ADDRESS: kevin.smaka@duganproduction.com



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**  
Governor

**Joanna Prukop**  
Cabinet Secretary  
Acting Director  
Oil Conservation Division

*(AMENDED) COMMINGLING ORDER PLC-173-D*

Dugan Production Corporation  
709 E. Murray Dr.  
PO Box 420  
Farmington, New Mexico 87499-0420

Attention: Mr. John D. Roe

The above named company is hereby authorized to commingle gas production from existing and future wells within the following-described pools and associated areas all located in San Juan County, New Mexico.

**Twin Mounds-Fruitland Sand Pictured Cliffs (Gas 86620)**

Township 30 North, Range 14 West, NMPM  
Section 33: SE/4

**Basin-Dakota Pool (Prorated Gas 71599)**

Township 29 North, Range 14 West, NMPM  
Section 2: E/2  
Township 30 North, Range 14 West, NMPM  
Section 26: All

**Basin-Fruitland Coal (Gas 71629)**

Township 29 North, Range 14 West, NMPM  
Section 1: All  
Section 2: All  
Section 3: E/2  
Section 10: E/2  
Section 11: All  
Township 30 North, Range 14 West, NMPM  
Section 25: W/2  
Section 26: All  
Section 35: E/2  
Section 36: All

**Harper Hill-Fruitland Sand Pictured Cliffs Pool (Gas 78160)**

Township 29 North, Range 14 West, NMPM

Section 1: E/2 and NW/4  
Section 2: E/2 and NW/4  
Section 3: SE/4  
Section 10: SE/4  
Section 11: SE/4 and NW/4  
Section 12: NW/4

Township 30 North, Range 14 West, NMPM

Section 26: NW/4  
Section 27: SE/4  
Section 35: E/2 and NW/4  
Section 36: SE/4 and NW/4

These areas contain all or portions of Federal Leases No. SF-078110, NM-33050, NM-33051, NM-0206994, NM-0206995, NM-4465, NM-23072, and all or portions of State Leases No. E-3149, LG-3736, B-11242, V-5411, B-11571, E-6714, VA-310, and multiple fee leases that comprise portions of Township 30 North, Range 14 West, and/or Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico.

This area currently contains, or will contain, subsequent to completion of additional drilling operations, 39 Dugan Production Corporation operated wells that are completed within at least one of the pool-areas described above.

Production shall be allocated by separately and continuously metering the gas production from each well or group of wells with common ownership within this gas gathering system. Gas production shall then be commingled and transported to gas sales meter (Gulfterra Meter No. 90887) located in the NE/4 NE/4 of Section 2, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico. Production shall be determined in accordance with the formula set forth within the application to commingle. No liquids shall be commingled within this gas gathering system.

NOTE: It is the responsibility of the producer to notify the transporter of this commingling authority. The operator shall notify the Aztec district office of the Division upon commencement of commingling operations.

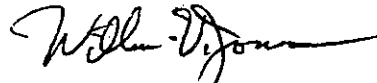
REMARKS: This amendment approves the expansion of the Tabor Gas Gathering System previously approved and defined by administrative order PLC-173-C.

*Dugan Production Corporation  
(Amended) Commingling Order PLC-173-D  
March 22, 2004  
Page 3 of 3*

---

FURTHER: When adding future wells or leases to this gas gathering system, Dugan Production Corporation shall provide legal notice of commingling and method of commingling to the owners in wells or leases to be added and shall not be required to provide notice to owners of existing commingled wells or leases. It is our understanding that all current owners in this commingle have been notified of this future procedure for adding wells.

Done, at Santa Fe, New Mexico on this 22nd day of March 2004.



William V Jones,  
Engineer

JP/wvj

cc: Oil Conservation Division – Aztec  
Bureau of Land Management-Farmington  
State Land Office-Oil & Gas Division  
Files: PLC-173-C, Case 11863 (R-10923)

**DUGAN PRODUCTION CORP.**  
**TABOR CDP APPLICATION DATED 3/17/15**  
**SUPPLEMENTAL PRODUCTION INFORMATION**  
**PRODUCTION FROM JULY 2014-DECEMBER 2014**

WELL NAME	API NO.	6 MONTH PRODUCTION JULY 2014-DECEMBER 2014																		CUMULATIVE PROD.		
		JULY 2014			AUG 2014			SEP 2014			OCT 2014			NOV 2014			DEC 2014					
		OIL	GAS	WATER	OIL	GAS	WATER	OIL	GAS	WATER	OIL	GAS	WATER	OIL	GAS	WATER	OIL	GAS	WATER	OIL	GAS	WATER
Carpenter 1E	30-045-23613	0	307	0	0	263	0	0	262	0	0	260	0	0	239	0	0	263	0	520	86092	1854
Federal I 101S	30-045-34294	0	2463	3668	0	2281	2681	0	2290	208	0	2700	1791	0	2534	2371	0	2398	2557	0	217523	218197
Federal I Com 102 FC	30-045-31792	0	1594	1527	0	1734	1226	0	1607	72	0	1752	621	0	638	823	0	1435	887	0	440181	193114
Federal I Com 102 PC	30-045-31792	0	1413	1355	0	1537	1088	0	1426	64	0	1553	551	0	565	729	0	1272	787	0	390292	170184
Federal I Com 102S FC	30-045-35013	0	1975	629	0	2130	614	0	2296	48	0	2337	410	0	815	543	0	1193	585	0	73860	60693
Federal I Com 102S PC	30-045-35013	0	1749	557	0	1889	544	0	2034	42	0	2076	363	0	720	481	0	1058	519	0	65494	53822
Federal I Com 103	30-045-32587	0	1660	1363	0	1735	1358	0	1869	1139	0	2041	612	0	1936	491	0	1785	519	0	442059	186516
Federal I Com 103S FC	30-045-35348	0	3238	1239	0	3274	1188	0	3281	1440	0	3528	774	0	2866	526	0	3107	477	0	24874	5934
Federal I Com 103S PC	30-045-35348	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4125
Jacobs Com 90S FC	30-045-33683	0	1623	715	0	1352	742	0	1765	1432	0	1331	587	0	1734	632	0	1817	668	0	111862	81943
Jacobs Com 90S PC	30-045-33683	0	1225	714	0	1020	741	0	1332	1432	0	1003	586	0	1307	631	0	1371	668	0	84408	80932
O'Henry 2	30-045-34922	0	403	3860	0	1187	440	0	1994	1430	0	2138	3410	0	2041	3300	0	1346	3410	0	39590	109021
Pan American Federal 1	30-045-09337	0	0	0	40	794	0	2	0	0	0	0	0	0	476	0	0	681	0	232	141620	2693
Pan American Federal 3 FC	30-045-33697	0	901	479	0	1462	519	0	569	564	0	1412	748	0	1146	561	0	1088	594	0	143780	96736
Pan American Federal 3 PC	30-045-33697	0	678	479	0	1102	519	0	430	564	0	1065	748	0	865	561	0	820	593	0	105239	96718
Winifred Com 90S FC	30-045-33686	0	212	346	0	917	179	0	1971	564	0	2249	748	0	1045	561	0	1639	594	0	143780	96736
Winifred Com 90S PC	30-045-33686	0	161	345	0	690	178	0	1486	564	0	1696	748	0	790	561	0	1236	593	0	105239	96718

**NEW MEXICO OIL CONSERVATION COMMISSION  
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102  
Supersedes C-120  
Effective 1-1-65

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

Operator <b>Dugan Production Corporation</b>			Lessee <b>Carpenter</b>		Well No. <b>#1E</b>
Well Letter <b>F</b>	Section <b>25</b>	Township <b>30 North</b>	Range <b>14 West</b>	County <b>San Juan</b>	
Actual Footage Location of Well:					
<b>1850</b>	feet from the	<b>North</b>	line and	<b>1480</b>	feet from the
					<b>West</b>
Ground Level Elev. <b>5495</b>	Producing Formation <b>Dakota</b>		Pool <b>Basin Dakota</b>		Dedicated Acreage <b>320.36</b>
					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 Communitized Sept 1, 1975 **SW-968**

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.

Name

**Thomas A. Dugan**

Position

**Petroleum Engineer**

Company

**Dugan Production Corp.**

Date

**6-14-79**

I hereby certify that the well location shown on this plat is correct and that the same is true and correct to the best of my knowledge and belief.

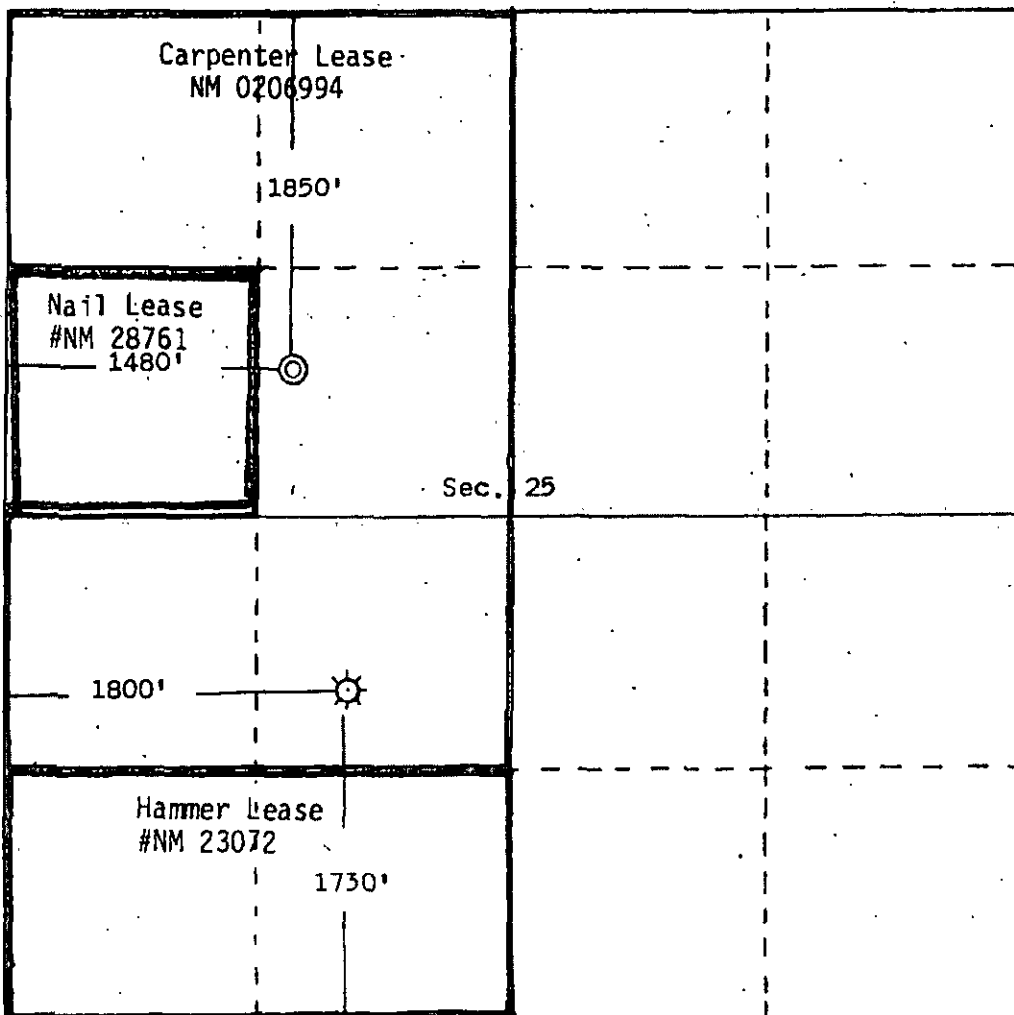
Date Surveyed

**June 7, 1979**

Registered Professional Engineer and/or Land Surveyor

**Edgar L. Risenhoover**  
Certificate No. **5979**

**Edgar L. Risenhoover, L.S.**



District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer 00, 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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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-045-3429</b>		*Pool Code <b>71629</b>	*Pool Name <b>BASIN FRUITLAND COAL</b>
*Property Code <b>3682</b>	*Property Name <b>FEDERAL I</b>		*Well Number <b>101S</b>
*OGRIID No. <b>006515</b>	*Operator Name <b>DUGAN PRODUCTION CORPORATION</b>		*Elevation <b>5441'</b>


10 Surface Location

UL or lot no.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
I	1	29N	14W		1510	SOUTH	670	EAST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1st	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres <b>320.0 Acres - (S/2)</b>					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 1254.00' LOT 4	5280.00'	LOT 3	LOT 2	LOT 1	1320.00'	17 OPERATOR CERTIFICATION		
						I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief <i>Kurt Fagrelus</i> Signature Kurt Fagrelus Printed Name Geologist Title May 1, 2007 Date		
1320.00'	1	DUGAN SF-078110	5253.60'	LAT: 36.75206° N LONG: 108.25434° W DATUM: NAD1983	670' 1510'	2640.00'	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 Date of Survey, APRIL 14, 2006 Signature and Seal of Professional Surveyor  <i>JASON C. EDWARDS</i> Certificate Number 15269	

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer 80, 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

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Santa Fe, NM 87504-2088

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103 JUL 11 PM 5:58 AMENDED REPORT

070 Farmington, NM

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-045-31792</b>		Pool Code <b>71629</b>	Pool Name <b>BASIN FRUITLAND COAL</b>
Property Code <b>34306</b>	Property Name <b>FEDERAL I COM</b>		Well Number <b>102</b>
OGAID No. <b>006515</b>	Operator Name <b>DUGAN PRODUCTION CORPORATION</b>		Elevation <b>5485'</b>

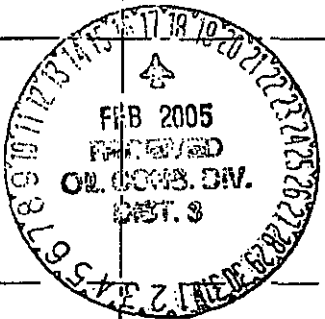
10 Surface Location

UL or lot no.	Section	Township	Range	Lot 10	Feet from the	North/South line	Feet from the	East/West line	County
A	12	29N	14W		270	NORTH	330	EAST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 10	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <b>320.0 Acres - (E/2)</b>					Joint or Infill		Consolidation Code		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

 <b>12</b>	2643.30'	1323.30'	1326.60'
	2641.32'	DUGAN 100% SF-078110	RICHARDSON FEE
	2426.16'	LOT 2	LOT 1
	5287.92'	San Juan River	

17 OPERATOR CERTIFICATION

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


*Kurt Fagrelus*  
Signature  
**Kurt Fagrelus**  
Printed Name  
**Geologist**  
Title  
**March 31, 2003**  
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.

Date of Survey: **APRIL 23, 2002**

Signature and Seal of Professional Surveyor

  
**JASON C. EDWARDS**  
Certificate Number **15269**



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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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-31792		*Pool Code 78160	*Pool Name Harper Hill Fruitland Sand Pictured Cliffs
*Property Code	*Property Name FEDERAL I COM		*Well Number 102
*OGRID No. 006515	*Operator Name DUGAN PRODUCTION CORPORATION		*Elevation 5485'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
A	12	29N	14W		270	NORTH	330	EAST	SAN JUAN

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 160.0 Acres (NE/4)	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

<p>2543.30'</p> <p>1323.30'</p> <p>1326.60'</p> <p>270'</p> <p>2556.84'</p> <p>330'</p> <p>2598.42'</p> <p>5287.92'</p> <p>LOT 2</p> <p>LOT 1</p> <p>LOT 3</p> <p>San Juan River</p> <p>12</p> <p>DPC-100% SF-078110</p> <p>LANCE FEE</p> <p>2641.32'</p> <p>2426.16'</p> <p>2598.42'</p> <p>2556.84'</p> <p>270'</p> <p>330'</p> <p>16</p>	<p><sup>17</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Kurt Fagrelus</i></p> <p>Signature</p> <p>Kurt Fagrelus</p> <p>Printed Name</p> <p>Geology</p> <p>Title</p> <p>may 10, 2005</p> <p>Date</p>
	<p><sup>18</sup> SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey: APRIL 23, 2002</p> <p>Signature and Seal of Professional Surveyor</p>
	<p>JASON C. EDWARDS NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 15269</p>
	<p><i>JASON C. EDWARDS</i></p> <p>Certificate Number 15269</p>

District I  
1625 N French Dr., Hobbs, NM 88240

District II  
1301 W. Grand Avenue, Artesia, NM 88210

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

District IV  
1220 S St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30045-35013	<sup>2</sup> Pool Code 7B160 / 71629	<sup>3</sup> Pool Name HARPER HILL FRUITLAND SAND PICTURED CLIFFS / BASIN FRUITLAND COAL
<sup>4</sup> Property Code 34366	<sup>5</sup> Property Name FEDERAL I COM	<sup>6</sup> Well Number 1025
<sup>7</sup> OGRID No 006515	<sup>8</sup> Operator Name DUGAN PRODUCTION CORPORATION	<sup>9</sup> Elevation 5401'

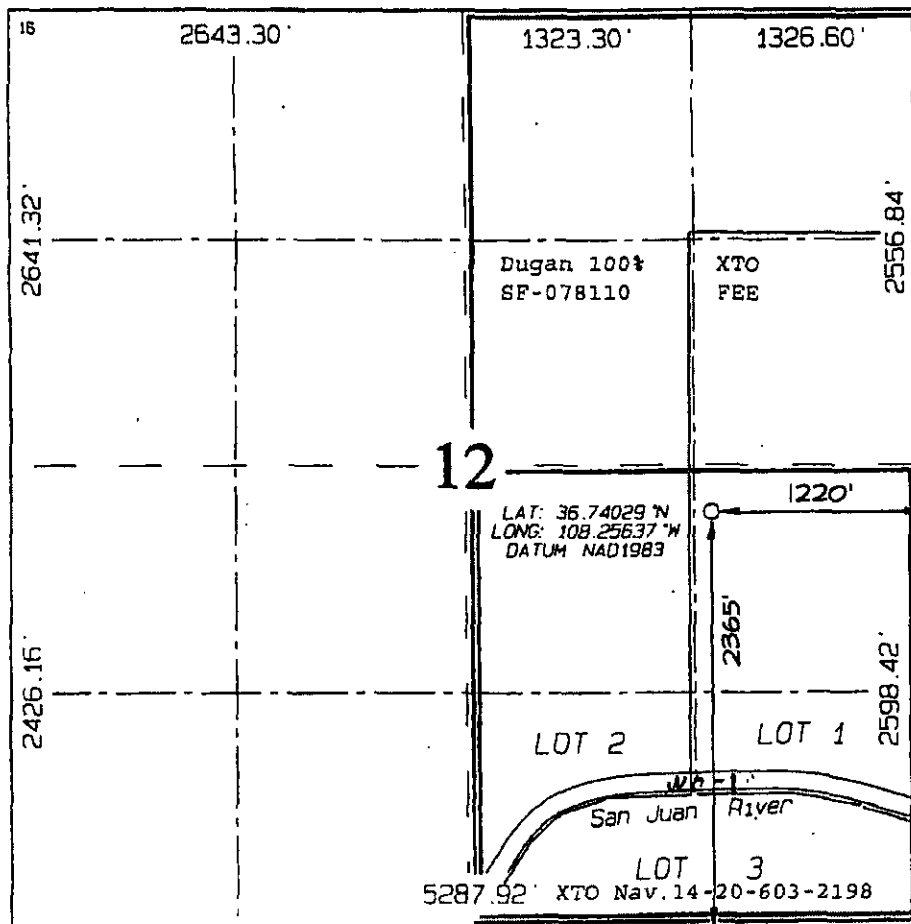
<sup>10</sup> Surface Location

1/4 or lot no	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
I	12	29N	14W		2365	SOUTH	1220	EAST	SAN JUAN

<sup>11</sup> Bottom Hole Location If Different From Surface

1/4 or lot no	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
<sup>12</sup> Dedicated Acres 160.0 Acres (SE/4) - PC 320.0 Acres (E/2) - FC					<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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



<sup>17</sup> OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*Kurt Fagrelius* 8-11-2009  
Signature Date

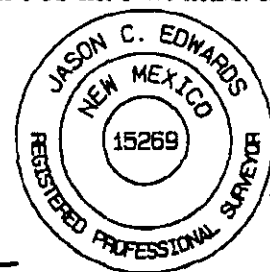
Kurt Fagrelius  
Printed Name

<sup>18</sup> 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.

Date of Survey JUNE 3, 2009

Signature and Seal of Professional Surveyor



*Jason C. Edwards*  
Certificate Number 15269

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer 00, 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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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-045-32587</b>		Pool Code <b>71629</b>	Pool Name <b>BASIN FRUITLAND COAL</b>
Property Code <b>34306</b>	Property Name <b>FEDERAL I COM</b>		Well Number <b>103</b>
OGRIID No. <b>006515</b>	Operator Name <b>DUGAN PRODUCTION CORPORATION</b>		Elevation <b>5473'</b>

<sup>10</sup> Surface Location


U. or lot no.	Section	Township	Range	Lot 1/2	Feet from the	North/South line	Feet from the	East/West line	County
E	12	29N	14W		1775	NORTH	10	WEST	SAN JUA

<sup>11</sup> Bottom Hole Location If Different From Surface

U. or lot no.	Section	Township	Range	Lot 1/2	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres <b>320.0 Acres - (W/2)</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

2641.32'	DUGAN FEE 2643.30'	DUGAN SF-078110 1323.30'	1326.60'	2556.84'	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  <i>Kurt Fagrelus</i> Signature <b>Kurt Fagrelus</b> Printed Name <b>Geologist</b> Title <b>August 6, 2004</b> Date
	1775'				
10'		12			<sup>18</sup> 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.  Date of Survey: <b>JUNE 15, 2004</b> Signature and Seal of Professional Surveyor   <b>JASON C. EDWARDS</b> Certificate Number <b>15269</b>
2426.16'	RICHARDSON FEE	LOT 2	LOT 1	2598.42'	
		San Juan River			
		LOT 3			
		5287.92'			

District I  
1625 N. French Drive, Hobbs, NM 88240  
Phone (575) 393-6161 Fax: (575) 393-0720

District II  
811 S. First Street, Artesia, NM 88210  
Phone (575) 748-1283 Fax: (575) 748-9720

District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV  
1220 S. St. Francis Drive, Santa Fe, NM 87505  
Phone (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 1, 2011

Submit one copy to  
Appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Drive  
Santa Fe, NM 87505

☐ AMENDED REPORT

RCVD JAN 24 '12

OIL CONS. DIV.

DIST. 3

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-045-35348</b>	*Pool Code <b>78160 / 71629</b>	*Pool Name <b>HARPER HILL FRUITLAND SAND PICTURED CLIFFS / BASIN FRUITLAND COAL</b>
*Property Code <b>34306</b>	*Property Name <b>FEDERAL I COM</b>	*Well Number <b>1035</b>
*OGRID No <b>006515</b>	*Operator Name <b>DUGAN PRODUCTION CORPORATION</b>	*Elevation <b>5454'</b>

<sup>10</sup> Surface Location


UL or lot no <b>M</b>	Section <b>12</b>	Township <b>29N</b>	Range <b>14W</b>	Lot Idn	Feet from the <b>1065</b>	North/South line <b>SOUTH</b>	Feet from the <b>335</b>	East/West line <b>WEST</b>	County <b>SAN JUAN</b>
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<sup>11</sup> 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
<sup>12</sup> Dedicated Acres <b>157.67 Acres (SW/4) - PC</b> <b>317.67 Acres (W/2) - FC</b>					<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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

2641.32'	2643.30'		1323.30'	1326.60'	2556.84'	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  <i>Kurt Fagrelus</i> 1-12-2012 Signature Date Kurt Fagrelus Printed Name kfagrelus@duganproduction.com E-mail Address
	Dugan Fee	Dugan SF-078110				
2426.16'	LAT: 36 73681' N LONG: 108.26851' W DATUM: NAD1927  LAT: 36 73682' N LONG: 108.26914' W DATUM: NAD1983		12	LOT 2	LOT 1	<sup>18</sup> 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 Date of Survey: AUGUST 1, 2011 Signature and Seal of Professional Surveyor   <b>JASON C. EDWARDS</b> Certificate Number 15269
	335 XTO FEE	LOT 7				
	1065'	5287.92'				

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer 00, 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

Form C-102

Revised February 21, 1994

Submit to Appropriate District Office  
State Lease - 4 Copies  
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670 FARMINGTON NM

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-045-33683</b>	*Pool Code 78160 - 71629	*Pool Name HARPER HILL FRUITLAND SAND PICTURED CLIFFS - BASIN FRUITLAND COAL
*Property Code <b>28011</b>	*Property Name JACOBS COM	*Well Number 90S
*OGRID No. 006515	*Operator Name DUGAN PRODUCTION CORPORATION	*Elevation 5494'

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
F	25	30N	14W		1915	NORTH	1920	WEST	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
Dedicated Acres 160.00 Acres - NE/4 Sec 26 160.00 Acres - NW/4 Sec 25					Joint or Infill	Consolidation Code	Order No. <b>R-11461-nsp</b>		

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

17 OPERATOR CERTIFICATION

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

*Kurt Fagrelus*  
Signature

Kurt Fagrelus

Printed Name  
Geology

Title  
March 30, 2006

Date

18 SURVEYOR CERTIFICATION

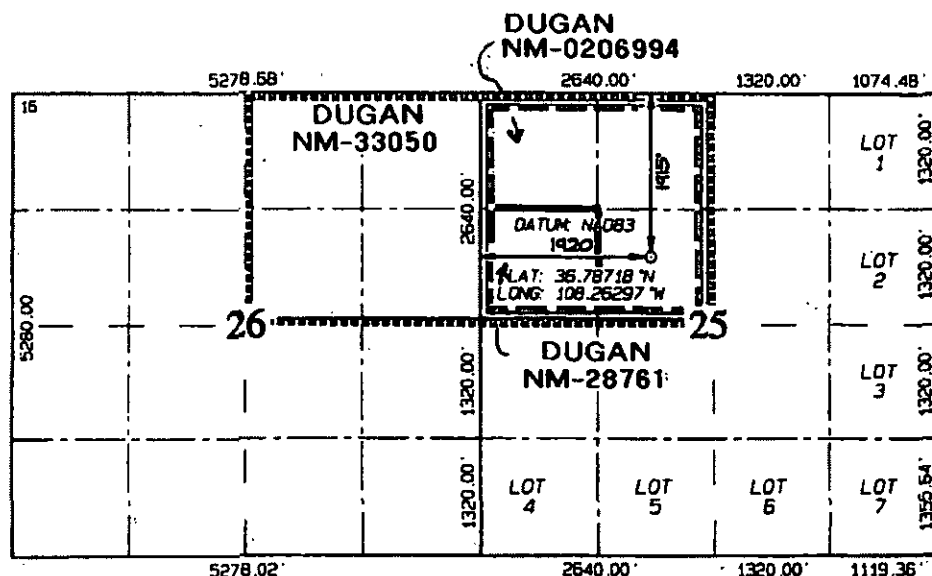
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief

Survey Date: DECEMBER 15, 2005

Signature and Seal of Professional Surveyor



**JASON C. EDWARDS**  
Certificate Number 15269



District I  
1325 N French Dr., Hobbs, NM 88240  
District II  
1301 W Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S St Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised October 12, 2005  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

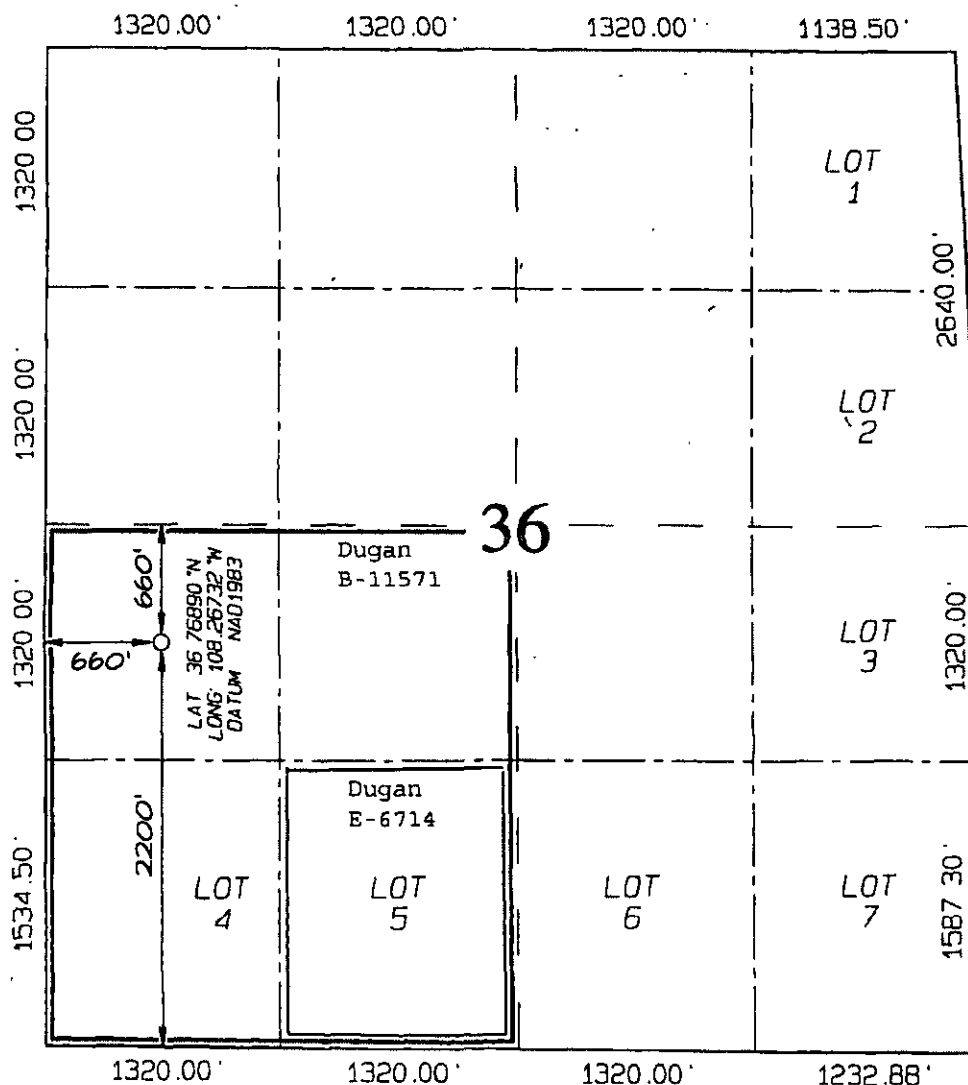
*API Number 30045-34922		*Pool Code 78160	*Pool Name HARPER HILL FRUITLAND SAND PICTURED CLIFFS
*Property Code 13868	*Property Name X HENRY		*Well Number 2
*OGRID No 006515	*Operator Name DUGAN PRODUCTION CORPORATION		*Elevation 5553'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	36	30N	14W		2200	SOUTH	660	WEST	SAN JUAN

<sup>11</sup> 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
* Dedicated Acres 173.80 Acres - SW/4					* Joint or Infill		* Consolidation Code		* 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

<sup>17</sup> OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division

*Kurt Fagrelus* 3-9-2009  
Signature Date  
Kurt Fagrelus  
Printed Name

<sup>18</sup> 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

Survey Date: FEBRUARY 13, 2009  
Signature and Seal of Professional Surveyor



*JASON C. EDWARDS*  
Certificate Number 15269

## NEW MEXICO OIL CONSERVATION COMMISSION

## Well Location and Acreage Dedication Plat

Section A.

Date July 27, 1964

Operator TEX-STAR OIL & GAS CORPORATION Lease Pan Am.-Federal  
 Well No. 1 Unit Letter N Section 24 Township 30 NORTH Range 14 WEST NMPM  
 Located 1080 Feet From the SOUTH Line, 1835 Feet From the WEST Line  
 County San Juan G. L. Elevation 5649' Dedicated Acreage 320 Acres  
 Name of Producing Formation Dakota Pool Basin Dakota

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below?

Yes X No \_\_\_\_\_

2. If the answer to question one is "no", have the interests of all the owners been consolidated by communization agreement or otherwise? Yes \_\_\_\_\_ No \_\_\_\_\_. If answer is "yes", Type of Consolidation.

3. If the answer to question two is "no", list all the owners and their respective interests below:

Owner

RECEIVED  
 JUL 30 1964  
 OIL CON. COM.  
 DIST. 3

Section B.

This is to certify that the information  
 in Section A above is true and complete  
 to the best of my knowledge and belief.

Tex-Star Oil & Gas Corp.

(Operator)

James P. Leese

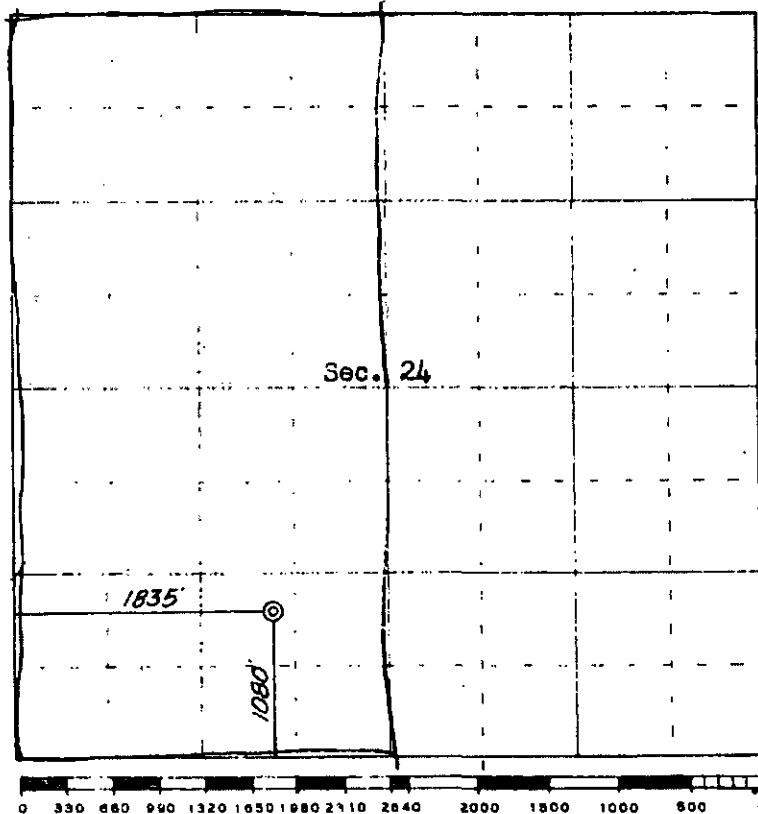
(Representative)

2520 Fidelity Union Tower

(Address)

Dallas, Texas

Note: All distances must be from outer boundaries of section.



Ref: GLO plat dated 27 July 1937

This is to certify that the above plat was prepared 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 23 July 1964

James P. Leese  
 Registered Professional Engineer and/or Land Surveyor  
 James P. Leese, N. Mex. Reg. No. 1463

Farmington, New Mexico

District I  
PO Box 1980, Hobbs, NM 88241-1980

District II  
PO Drawer 00, 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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-045-3369</b>	*Pool Code 78160 - 71629	*Pool Name HARPER HILL FRUITLAND SAND PICTURED CLIFFS - BASIN FRUITLAND COAL
*Property Code <b>3801</b>	*Property Name PAN AMERICAN <i>Federal</i>	*Well Number 3
*OGRID No. 006515	*Operator Name DUGAN PRODUCTION CORPORATION	*Elevation 5649

<sup>10</sup> Surface Location

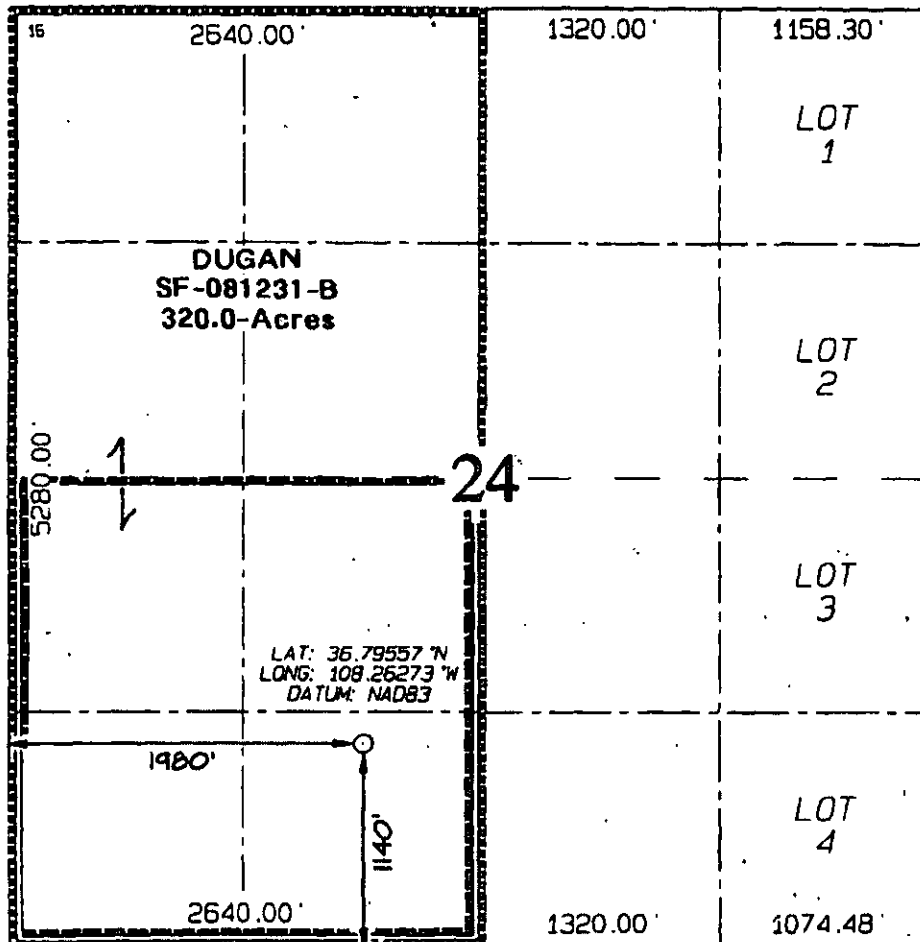
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	24	30N	14W		1140	SOUTH	1980	WEST	SAN JUAN

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 160.0 Acres (SW/4) - PC 320.0 Acres (W/2) - FC	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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



<sup>17</sup> OPERATOR CERTIFICATION

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

*Kurt Fagrelus*  
Signature

Kurt Fagrelus  
Printed Name

Geology  
Title

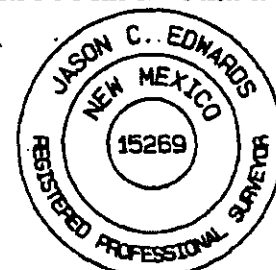
April 10, 2006  
Date

<sup>18</sup> 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

Date of Survey: MARCH 31, 2006

Signature and Seal of Professional Surveyor



*Jason C. Edwards*  
Certificate Number: 15269



District II  
PO Drawer 00, Artesia, NM 88211-0719

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

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

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

2088 RECEIVED  
070 FARMINGTON ☒ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number 30-045-33686	'Pool Code 78160 - 71629	'Pool Name HARPER HILL FRUITLAND SAND PICTURED CLIFFS - BASIN FRUITLAND COAL
'Property Code 27522	'Property Name WINIFRED COM	'Well Number 90S
'UGRID No. 006515	'Operator Name DUGAN PRODUCTION CORPORATION	'Elevation 5526'

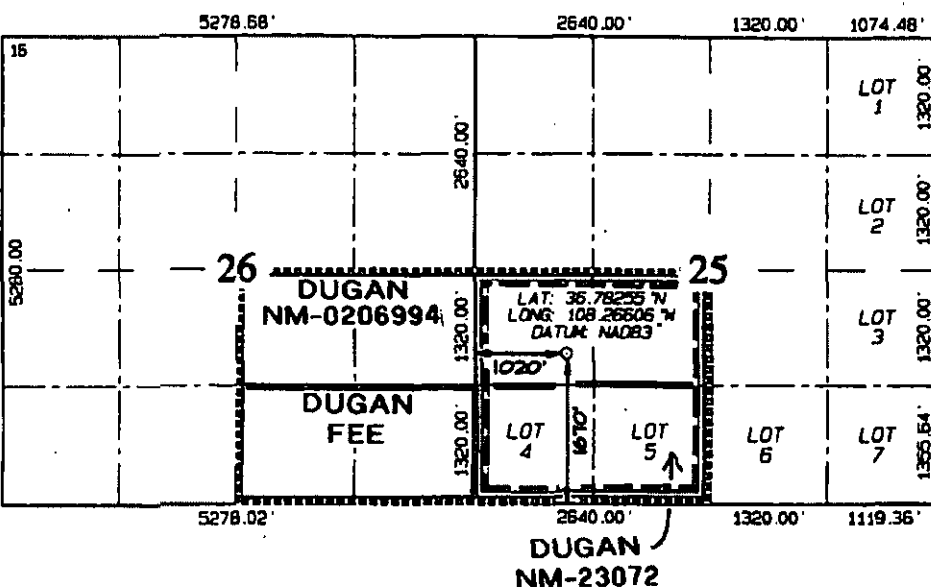
### 10 Surface Location

U. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	25	30N	14W		1670	SOUTH	1020	WEST	SAN JUAN

<sup>11</sup>Bottom Hole Location If Different From Surface

U. or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
<sup>13</sup> Dedicated Acres 160.00 Acres - SE/4 Sec 26 160.36 Acres - SW/4 Sec 25					<sup>12</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No. (R-11461)	

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



## 17 OPERATOR CERTIFICATION

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

Kurt Fegorin  
Signature

Signature Kurt Fagrelius

Printed Name **Geology**

Title March 30, 2006

Date \_\_\_\_\_

**<sup>18</sup> 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

Survey Date: DECEMBER 15, 2005

**Signature and Seal of Professional Surveyor**



**JASON C. EDWARDS**  
Certificate Number 15269

# AFFIDAVIT OF PUBLICATION


Ad No. 71276

## STATE OF NEW MEXICO County of San Juan:

JOHN ELCHERT, being duly sworn says:  
That HE is the PUBLISHER of THE DAILY  
TIMES, a daily newspaper of general  
circulation published in English at Farmington,  
said county and state, and that the hereto  
attached Legal Notice was published in a  
regular and entire issue of the said DAILY  
TIMES, a daily newspaper duly qualified for  
the purpose within the meaning of Chapter  
167 of the 1937 Session Laws of the State of  
New Mexico for publication and appeared in  
the Internet at The Daily Times web site on  
the following day(s):

Sunday, March 15, 2015

And the cost of the publication is \$121.33

  
ON 3/23/15 JOHN ELCHERT  
appeared before me, whom I know personally  
to be the person who signed the above  
document.

## COPY OF PUBLICATION

Dugan Production Corp. is applying to the New Mexico Oil Conservation Division (NMOCD), the Bureau of Land Management (BLM) and the New Mexico State Land Office (NMSLO) for regulatory approvals to add 11 existing wells to Dugan Production's Tabor Gathering System (TGS). This will require the surface commingling of produced natural gas and water, plus the off-lease measurement and sale of natural gas. There will not be any commingling of oil or condensate. The wells to be added and the existing gathering system are located within Sections 1 and 12, Township 29N, Range 14W, plus Sections 24, 25, 36 of Township 30N, Range 14W, all located in San Juan County, New Mexico. The central delivery gas sales meter is currently authorized for the NENE of Section 2, T. 29N, R. 14W with natural gas delivered to Enterprise Field Services. The gathering system currently has 39 wells authorized, which are completed in the Basin Fruitland Coal gas pool, Basin Dakota gas pool, Harper Hill Fruitland Sand PC gas pool, and Twin Mounds FR Sand PC. The 11 wells to be added are all completed in the Basin Fruitland Coal gas pool, Basin Dakota gas pool, and Harper Hill Fruitland Sand PC gas pool. All wells (existing and to be added) will be operated by Dugan Production Corp. and are located upon, or the spacing units include the following leases held by Dugan Production Corp.: Federal Leases NM-0206994, NM-0206995, NM-33050, NM-33051, NM-4465, NM-078110, NM-0812318; State Leases B-11242, B-11571, E-3149, E-6714, LG-3736, V-5411, VA-310; Navajo Allotted Lease 14206032198; and two fee leases. In addition to the leases held by Dugan Production, the spacing units include two fee leases held by XTO Energy Inc. The wells to be added are: Dugan Production's Carpenter 1E, Federal 1015, Federal Com 102 FC/PC, Federal Com 1025 FC/PC, Federal Com 103, Federal Com 1035 FC/PC, Jacobs Com 905 FC/PC, O'Henry 2, Pan American Federal 1, Pan American Federal 3 FC/PC, Winifred Com 905 FC/PC. Any person holding an interest in any of these leases or wells may contact Dugan Production Corp. for additional information. Inquiries should be directed to John Roe at 505-325-1821 or by mail at P. O. Box 420, Farmington, NM 87499. Any objection or request for a formal hearing should be filed in writing with the NMOCD's Santa Fe Office within 20 days from the date of this publication. In the absence of objection, Dugan Production Corp. is requesting that the NMOCD approve its application administratively. The NMOCD's address is 1220 South St. Francis Drive, Santa Fe, NM 87505.

Legal No. 71276 published in The Daily Times on March 15, 2015.

