

NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Surface Commingling Order PLC-149-D

Dugan Production Corporation P.O. Box 420 Farmington, New Mexico 87505

Attention: Mr. John D. Roe:

Per the terms of your application, the Goodtimes Gas Gathering System is hereby amended, adding the following 22 wells:

GOOD TIMES GAS GATHERING SYSTEM

November 20, 2007 Added Permitte	d Areas and added	Wells	Operated by Dugan and Yates	S
	ΔPI	Well		

Well Name	30- 045	Spacing Unit	Well Location 1/4 1/4	Sec	Tsp N	Rge W
New (Temporary Wells)						,
Basin-Fruitland Coal (Gas 71629) Spaced 320 acres					1 :	
Hop Sing 1	29378	N/2	NWNE	27	23	11
Hoss 91	33069	E/2	SESE	22.	23	11
Hoss 91S	33070	E/2	SENE	22	23_	11
Hoss 92	33068	W/2	SESW	22	23	11
Pierre Com 90	33056	. W/2	SWSW	23	23	11
Pierre Com 90S	33058	W/2	SENW	23	23	11
Pierre Com 91	33071	E/2	NWSE	.23	23	11
Pierre Com 91S	33057	E/2	SENE	23	23	11

New Wells

Basin-Fruitland Coal (Gas 71629) Spaced 320 acres						
Bitsili Com 90	33187	E/2	SWNE	19.	24	9
Bitsili Com 90S	NA	E/2	SE	19	24	. 9
Location U	. NA	NA c	SW	9	24	9.
Location V	. NA	NA	SW	28	. 24	9
Queen Nefertiti Com 90	33178	W/2	NWSW	21	24	8

Bisti-Lower Gallup (Oil 5890) Spaced 80 Acres

Bitsili 1	33186	S/2 NE/4	SWNE	19	24	9
Honeybee 1	NA.	N/2 SW/4	NESW	16	24	9
Largo Federal B 2	33173	N/2 NW/4	NENW	. 22	24	9 .
(Yates Petroleum) Ristra AGW State 1	27561	N/2 SE/4	NWSE 1.	32	24	9

Potwin-Pictured Cliffs (Gas 83000) Spaced 160 Acres						
Arviso 1	33943	SW/4	NW SW	5	24	8
Chaco 5	32272	SE/4	SESE	6	-24	8

South Bisti-Gallup (Oil 5860) Spaced 80 Acres						
Big Yazzie I	33149	W/2 NE/4	NW NE	6	. 23	9
Werito 1	33382	W/2 SE/4	NWSE	8	23	9
(Vates Petroleum) Squash Blossom AFII State 1	27053	W/2 SF/4	SWSF	36	24	10

Each of these wells shall be equipped with a gas allocation meter that will continuously meter gas production prior to commingling and these measurements shall be used to allocate production from the CDP to the wells according to the existing practice in this gathering system. If oil production exists, it shall be separated and sold on lease.

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 on these wells.

Done, at Santa Fe, New Mexico on this 21st day of November, 2007.

MARK E. FESMIRE, P.E.,

Division Director

MEF/wvjj

cc:

Oil Conservation Division - Aztec

Bureau of Land Management-Farmington

State Land Office - Oil, Gas, and Minerals Division (for the 2 Yates Wells)