NMOCD CASE NO. 8685 (Reopened)
December 2, 1987
DUGAN PRODUCTION CORP.
Exhibit No. 3

DUGAN PRODUCTION CORPORATION
Well Completion & Production Data
South Bisti Gallup Oil Pool
San Juan County, New Mexico

Well Name	Well Location U- S- T- R	Completion Date	Initial Potential BOPD	Initial Potential GOR	Production During October 1987 BOPD	Production During October 1987 GOR	Cumulative Production 11-1-87 Bbl Oil	Cumulative Production 11-1-87 MCF Gas
April Surprise #5	B- 7-T23N-R9W	07-09-84	156	481	3.8	3,627	9,586	13,332
April Surprise #6	H- 7-T23N-R9W	11-13-85	43	651	9.8	931	9,814	7,194
August #1	M-35-T24N-R10W	10-22-85	60	850	2.4	6,452	2,548	9,086
Bronze Medal #1	D- 3-T23N-R10W	10-03-85	90	800	5.5	2,690	5,292	10,806
Bronze Medal #2	E- 3-T23N-R10W	Location	--	----	----	------	------	-------
Calgary #88	A- 6-T23N-R10W	07-09-87	78	769	72.9	412	7,814	1,803
Calgary #2	G- 6-T23N-R10W	Location	--	----	----	------	------	-------
December Dream #1	C- 7-T23N-R9W	01-19-84	54	833	4.7	2,095	12,741	22,954
Fairway #1	M- 1-T23N-R10W	02-13-85	21	1,714	6.3	2,067	8,099	12,608
Gold Medal #1	H-34-T24N-R10W	08-29-84	63	1,952	2.6	6,561	4,762	29,913
Gold Medal #2	K-33-T24N-R10W	12-18-85	53	650	20.4	739	11,471	8,743
Gold Medal #3	I-31-T24N-R10W	Location	--	----	----	------	------	-------
Gold Medal #4	M-33-T24N-R10W	07-25-87	59	727	29.0	1,024	2,732	1,557
Gold Medal #5	O-31-T24N-R10W	Drilled - WOCT	--	----	----	------	------	-------
Gold Medal #6	K-31-T24N-R10W	Location	--	----	----	------	------	-------
Jim Thorpe #1	G- 3-T23N-R10W	12-21-85	40	600	7.1	2,434	5,752	9,999
Lake Placid #1	I- 4-T23N-R10W	01-20-86	39	692	3.8	4,581	3,448	8,258
Lake Placid #2	O- 4-T23N-R10W	Location	--	----	----	------	------	-------
Louie Louie #1	L- 8-T23N-R9W	06-26-87	57	698	11.2	1,058	2,151	1,674

acid + fracture treating

DUGAN PRODUCTION CORPORATION
Well Completion & Production Data
South Bisti Gallup Oil Pool
San Juan County, New Mexico

Well Name	Well Location U- S- T- R	Completion Date	Initial Potential BOPD	Initial Potential GOR	Production During October 1987 BOPD	Production During October 1987 GOR	Cumulative Production 11-1-87 Bbl Oil	Cumulative Production 11-1-87 MCF Gas
Marathon #1	A- 4-T23N-R10W	10-19-85	75	720	10.9	2,528	10,225	19,048
Marathon #2	G- 4-T23N-R10W	Location	--	----	----	------	------	-------
Mary Lou #1	A-32-T24N-R10W	10-09-85	36	667	8.6	683	7,410	4,313
Mary Lou #2	G-32-T24N-R10W	10-14-85	39	615	9.6	1,426	8,423	7,077
Mary Lou #3	I- 32-T24N-R10W	07-25-87	35	439	26.0	480	2,203	871
Mary Lou #4	O-32-T24N-R10W	07-13-87	69	609	39.4	323	3,379	1,005
Mary Lou #5	K-32-T24N-R10W	Location	--	----	----	------	------	-------
Mary Lou #6	M-32-T24N-R10W	Location	--	----	----	------	------	-------
Montreal #1	C- 4-T23N-R10W	01-28-86	54	833	7.5	1,431	5,124	5,081
Montreal #2	E- 4-T23N-R10W	Location	--	----	----	------	------	-------
Oktoberfest #1	A-36-T24N-R10W	12-06-85	55	782	5.6	3,737	6,106	20,549
Olson #1	I-11-T23N-R10W	10-30-85	60	750	4.2	2,695	4,125	8,223
Olympic #1	I- 3-T23N-R10W	02-15-85	32	1,500	4.4	2,883	9,313	19,058
Olympic #2	O- 3-T23N-R10W	08-12-87	81	444	21.4	866	1,746	1,075
Olympic #3	K- 3-T23N-R10W	Location	--	----	----	------	------	-------
Olympic #4	M- 3-T23N-R10W	Location	--	----	----	------	------	-------
Seoul #88	A- 9-T23N-R10W	02-10-86	42	786	9.9	1,114	3,774	5,856
Silver Medal #1	M-27-T24N-R10W	09-05-84	81	667	5.0	2,922	7,991	18,549
Squaw Valley #1	K- 4-T23N-R10W	02-06-86	54	833	12.1	3,000	10,438	25,286
Squaw Valley #2	M- 4-T23N-R10W	Location	--	----	----	------	------	-------

DUGAN PRODUCTION CORPORATION
Well Completion & Production Data
South Bisti Gallup Oil Pool
San Juan County, New Mexico

Well Name	Well Location U- S- T- R	Completion Date	Initial Potential BOPD	Initial Potential GOR	Production During October 1987 BOPD	Production During October 1987 GOR	Cumulative Production 11-1-87 Bbl Oil	Cumulative Production 11-1-87 MCF Gas
St. Louis #12	C- 9-T23N-R10W	02-20-86	35	771	5.5	1,901	4,335	5,990
Wit's End #1	O- 2-T23N-R10W	06-25-85	60	600	5.2	1,719	5,053	7,531
Wit's End #2	I- 2-T23N-R10W	06-28-85	53	700	5.2	2,150	5,672	10,576
Wit's End #3	K- 2-T23N-R10W	06-20-85	111	667	2.9	4,011	6,977	10,647
Wit's End #4	M- 2-T23N-R10W	06-15-85	77	690	2.2	3,691	4,163	8,094
Witty #2	G-12-T23N-R10W	07-11-84	55	637	5.5	1,859	9,878	15,667
Witty #3	E-12-T23N-R10W	07-05-85	30	900	4.8	2,403	7,020	10,914
Witty #4	C-12-T23N-R10W	09-10-84	90	500	4.8	2,284	11,785	18,927
Witty #5	A-12-T23N-R10W	11-05-85	45	800	7.5	1,453	8,482	8,831
Witty #6	K-12-T23N-R10W	08-25-87	45	600	9.6	1,135	648	698
				TOTAL	397.5	1,329	230,480	371,793

NMOCD CASE NO. 8685 (Reopened)
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DUGAN PRODUCTION CORP.
Exhibit No. 4

PAY DATA & DRAINAGE AREA CALCULATIONS
DUGAN PRODUCTION OPERATED WELLS - SOUTH BISTI GALLUP OIL POOL
T- 23 & 24N, R-9 & 10W, SAN JUAN COUNTY, NEW MEXICO

Well	Ultimate Recovery from Prod. Data-STB (1)	Perforations Gross Interval	Perforations Separate Intervals	RESERVOIR PAY DATA (2) Good Times Sand Ft.- Ø - Vsh	Additional Primary Sands Ft. - Ø - Vsh	Secondary Sands Ft. - Ø - Vsh	Calculated Volumetric Recovery -STB/Acre (3) Probable	Range	Estimated Drainage Area for Production Indicated Reserves (4) Probable	Range
December Dream #1	26,600	384'	32	6' - 12.5% - 4%	9' - 7.2% - 30%	19' - 4.0% - 41%	428	260-520	62	51-102
Mary Lou #1	24,100	268'	30	6' - 10.2% - 22%	7' - 7.4% - 32%	18' - 4.1% - 34%	297	186-371	81	65-130
Olympic #1	20,800	283'	31	7' - 15.8% - 35%	9' - 8.7% - 38%	14' - 5.7% - 49%	434	266-532	48	39- 78
Silver Medal #1	22,500	312'	32	4' - 7.0% - 42%	10' - 10.0% - 37%	18' - 5.6% - 45%	202	164-328	111	69-137
Squaw Valley #1	30,800	278'	31	6' - 11.0% - 30%	14' - 6.0% - 31%	15' - 5.3% - 33%	333	225-450	92	68-137
Witty #4	26,300	290'	31	8' - 10.1% - 13%	6' - 11.5% - 17%	10' - 4.5% - 30%	440	276-552	60	48- 95

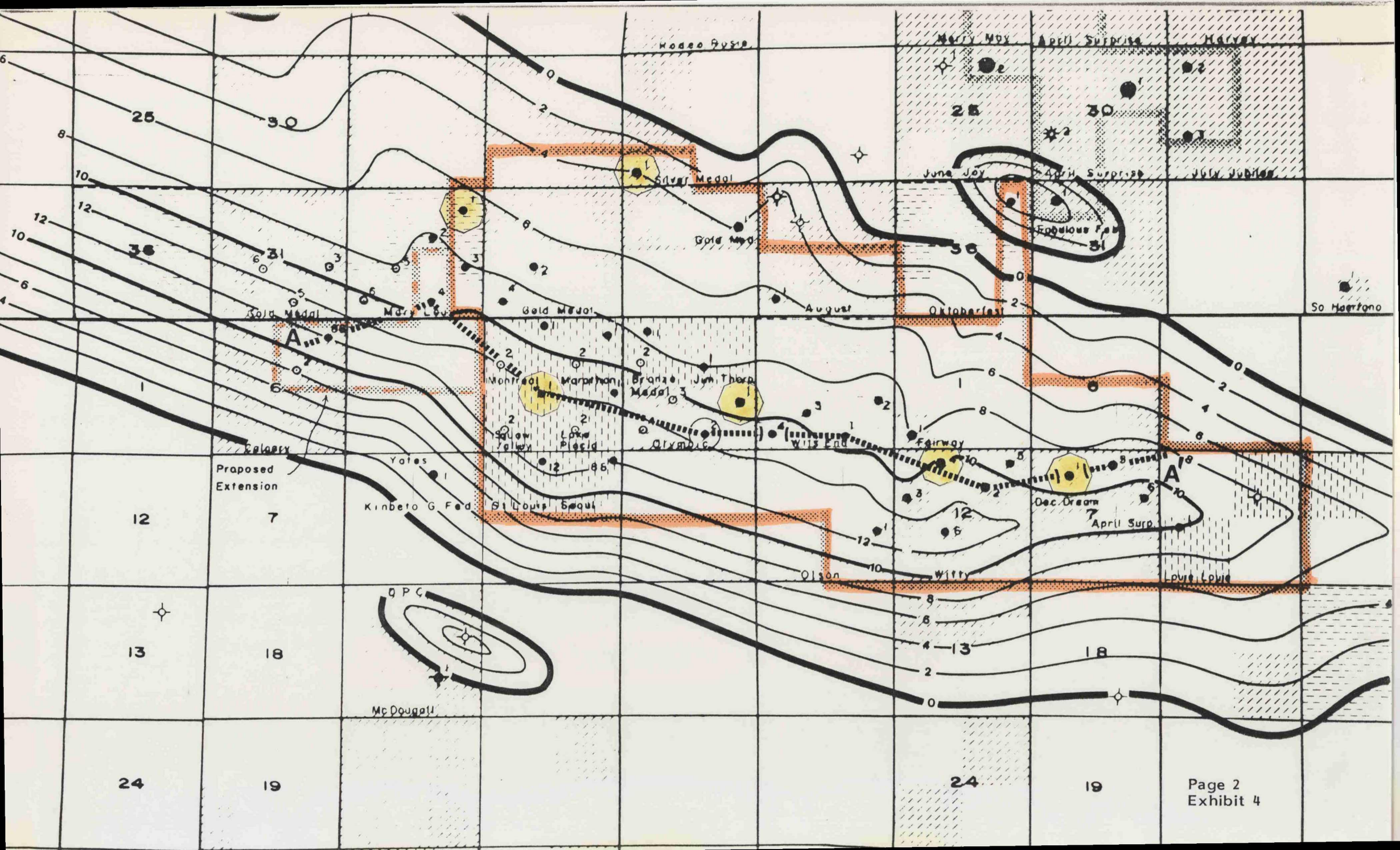
Footnotes:

(1) - Extrapolation of production data thru 10/87 to economic limit of 28 BOPM (opex = $500/mo. - oil price = $18.00/bbl; gas price = $1.83/MMBTU & adj. for 1140 BTU gas, GOR - 2280. Net interest average 82.70%).

(2) - Reservoir data divided into 3 catagories based upon analysis of open hole logs, drilling time data and sample analysis data. Reservoir data was further refined based upon data obtained from 103' of core from the Olympic No. 2 well: (a) Good Times Sand is considered to be the primary zone of development; (b) Additional Primary Sands are sands other than the Good Times Sand that are thick enough and/or log and sample data indicates they should contribute significantly to production; (c) Secondary sands are sand stringers that either due to being thin and/or shaleyness will not likely contribute significantly to production, but will likely contribute sufficiently to justify completion.

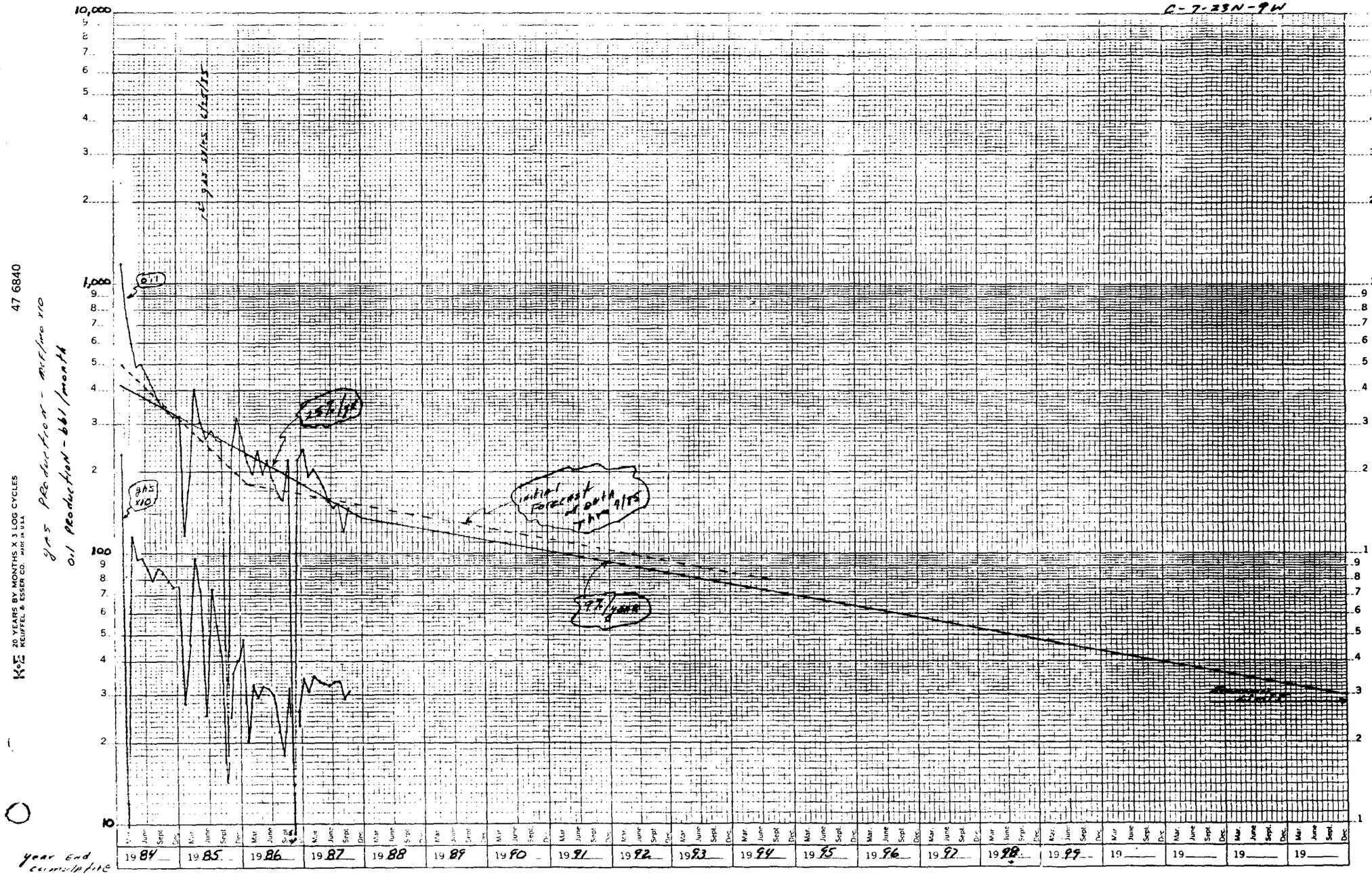
(3) - Calculated recovery factors in stock tank barrels per acre using: $[7758*h*\emptyset*(1-Sw)*(1-Vsh)/B_o]$ RF
The water saturation in the Good Times Sand is (24%), based upon core data from the Olympic No. 2, and in all other pay intervals, was estimated to average (40%), since actual values could not be calculated as a result of thin beds and inability to determine Rt. An oil formation volume factor of 1.26 RB/STB is typical to the Gallup in this area. Recovery factors are estimated to range from 5% to 10% in the primary zones and 1/2% to 1% in the secondary zones of interest. The probable recovery was determined utilizing a RF=10% in the Good Times Sand, 5% in Additional Primary Zones and 1/2% in Secondary Zones.

(4) - Drainage area was determined by dividing the indicated ultimate production based recovery by the volumetrically calculated recovery factor.



Page 2
Exhibit 4

Decline Curve Analysis
South Bisti Gallup
C-7-23N-9W



47 6840

K&E 20 YEARS BY MONTHS X 3 LOG CYCLES
KEUFFEL & ESSER CO. MADE IN U.S.A.

Ultimate Recovery @ Economic Limit =

= Cum. to 11-1-87 + Remaining 11-1-87

= 12,741 bbl + 140 + 137 + (135 - 28) 127.2

= 12,741 + 277 + 13,610

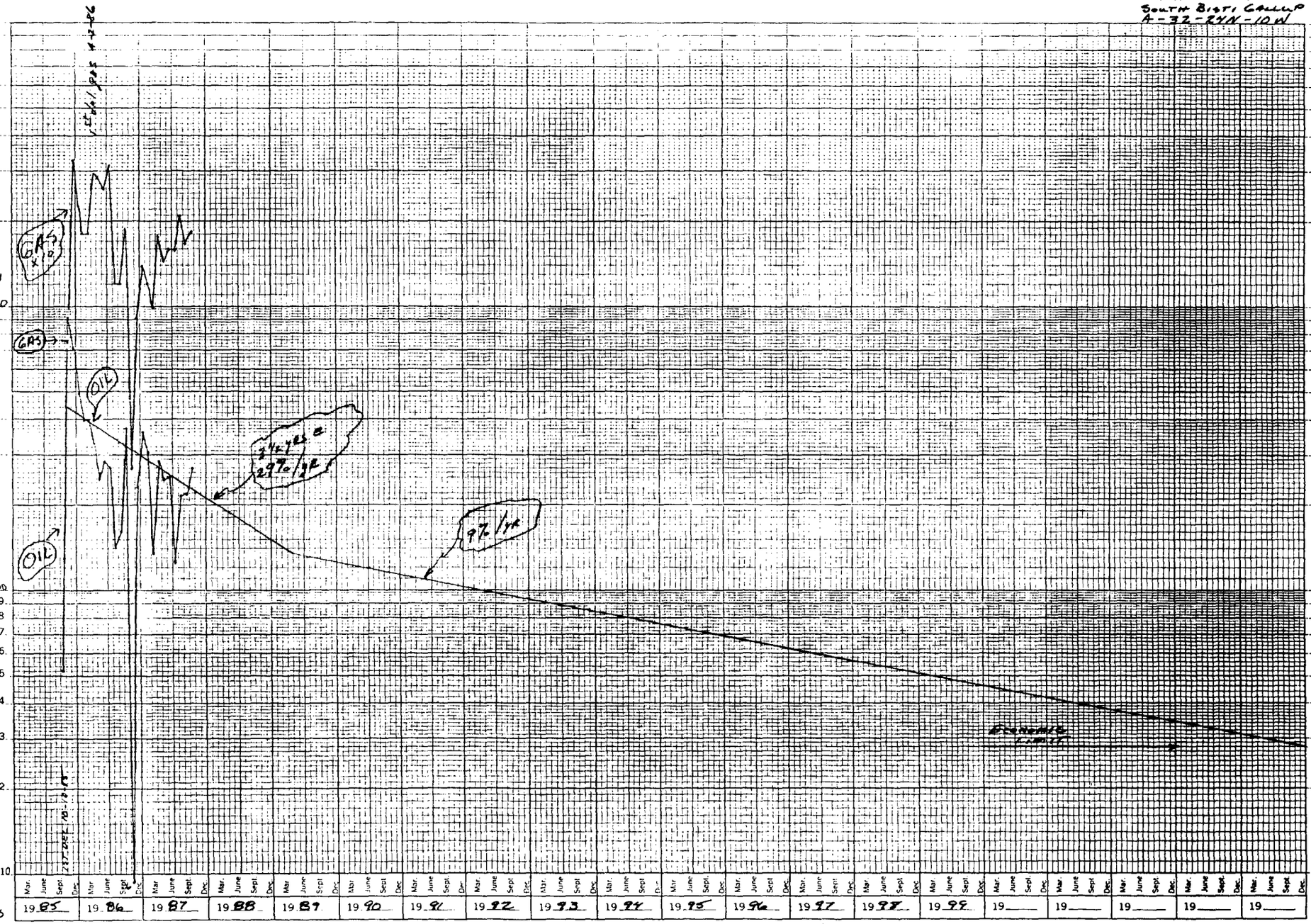
= 26,600 bbl

DUGAN PRODUCTION
MARY LOU #1
SOUTH BISTI, GALLUP
A-32-24N-10W

47 6840

K·E 20 YEARS BY MONTHS X 3 LOG CYCLES
KEUFFEL & ESSER CO. MADE IN U.S.A.

GAS PRODUCTION MCF/MONTH
OIL PRODUCTION BBL/MONTH



YEAR-END CUMMULATIVES	19 85	19 86	19 87	19 88	19 89	19 90	19 91	19 92	19 93	19 94	19 95	19 96	19 97	19 98	19 99	19	19	19	19	19
OIL	1676	5002																		
GAS	477	2757																		

ultimate oil Recovery @ Economic Limit:

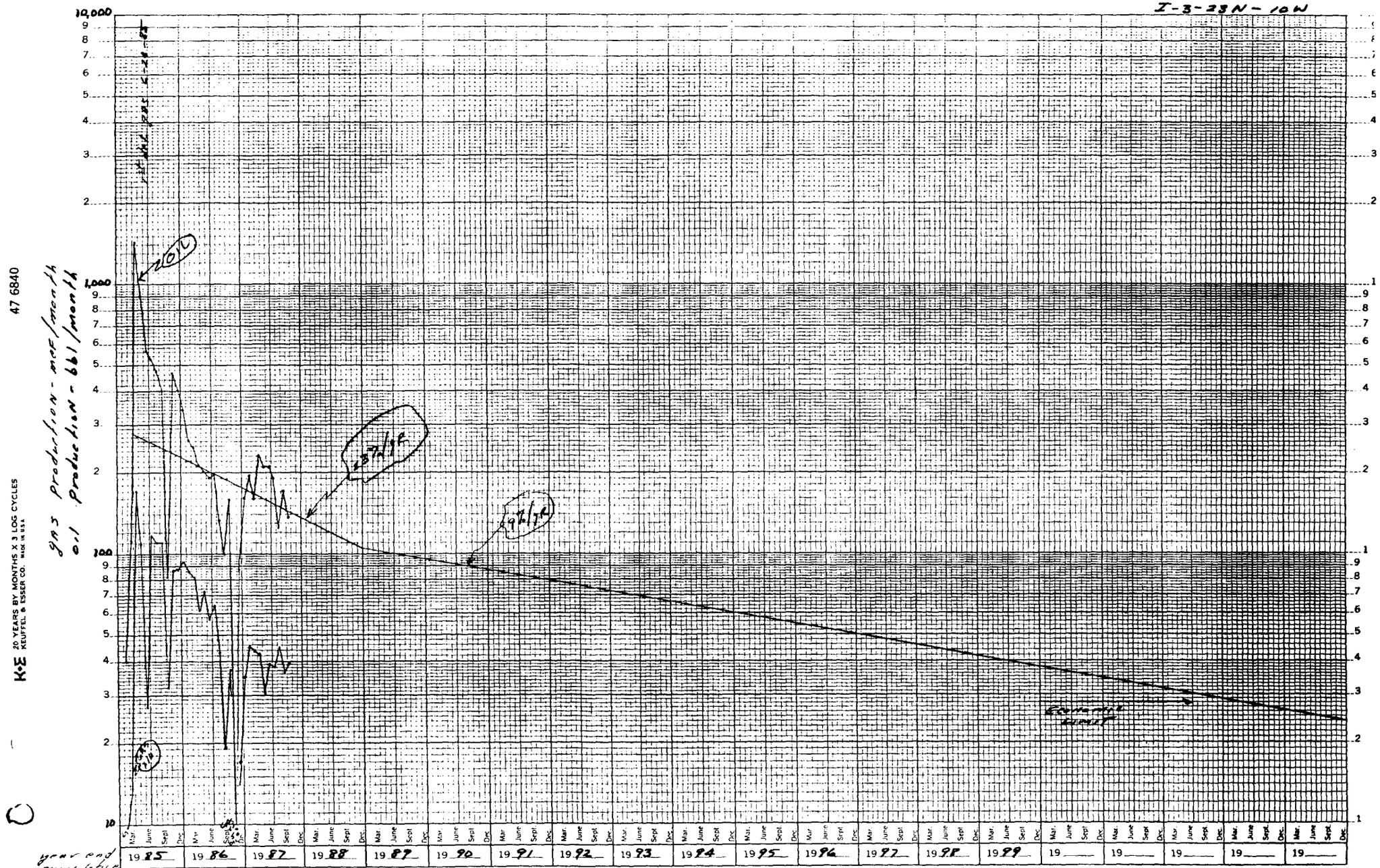
= Cum to 11-1-87 + Remaining 11-1-87

= 7410 bbl + (224-135) 35.0 + (135-28) 127.2

= 7410 + 3115 + 13,610

= 24,100 bbl

SOUTH BISTI GALLUP
I-3-23N-10W



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K&E 20 YEARS BY MONTHS X 3 LOG CYCLES
KEUFFEL & ESSER CO. MADE IN U.S.A.

year end cumulative

	1985	1986
oil, bbl	3386	7521
gas, mcf	8714	15108

Ultimate oil Recovery @ Economic Limit:

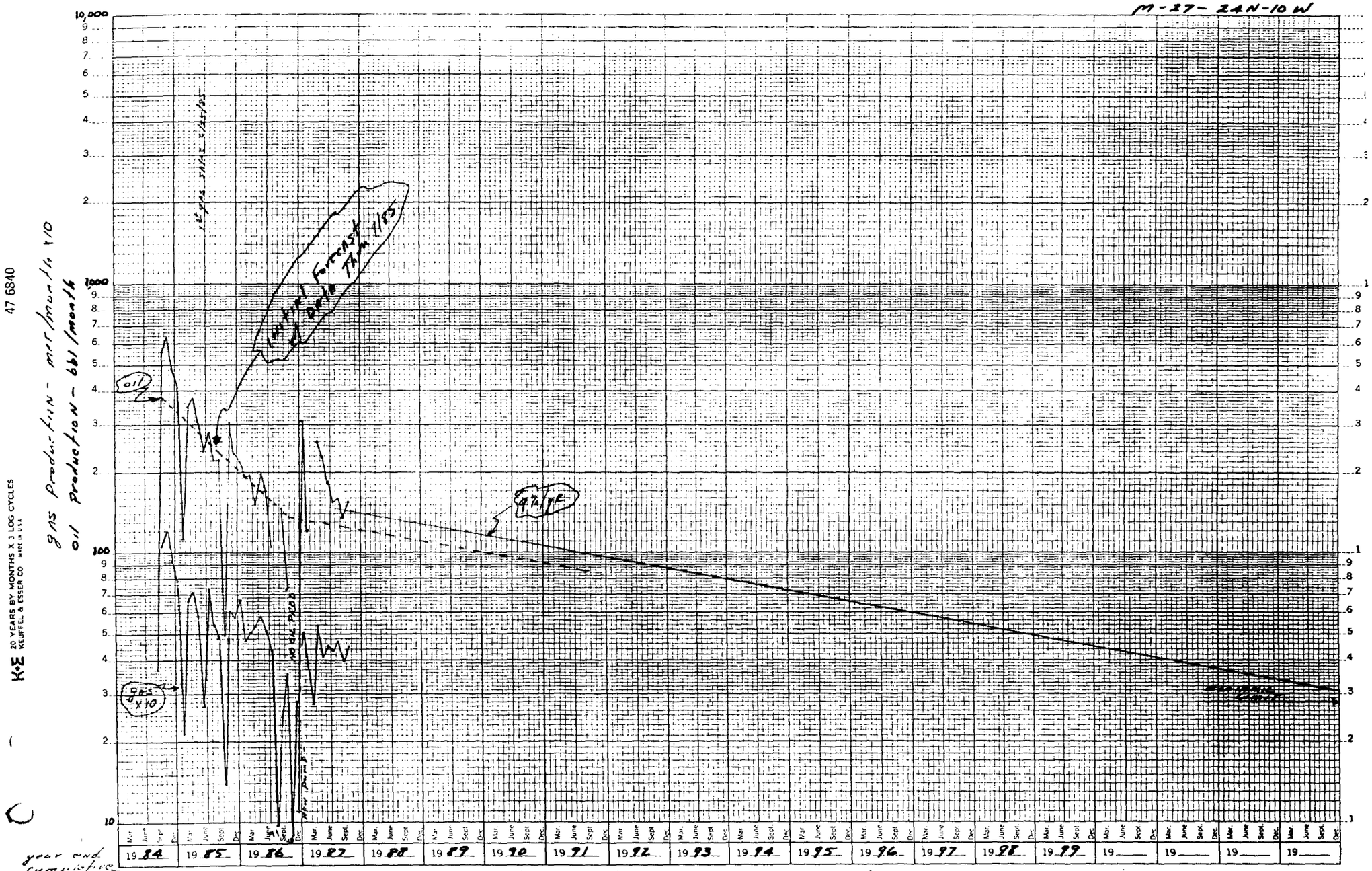
= Cum 11-1-87 + Remaining 11-1-87

= 9313 + (142-105) 45.9 + (105-28) 127.2

= 9313 + 1698 + 9794

≃ 20,800 bbl

South Dist. Gallup Field
M-27-24N-10W



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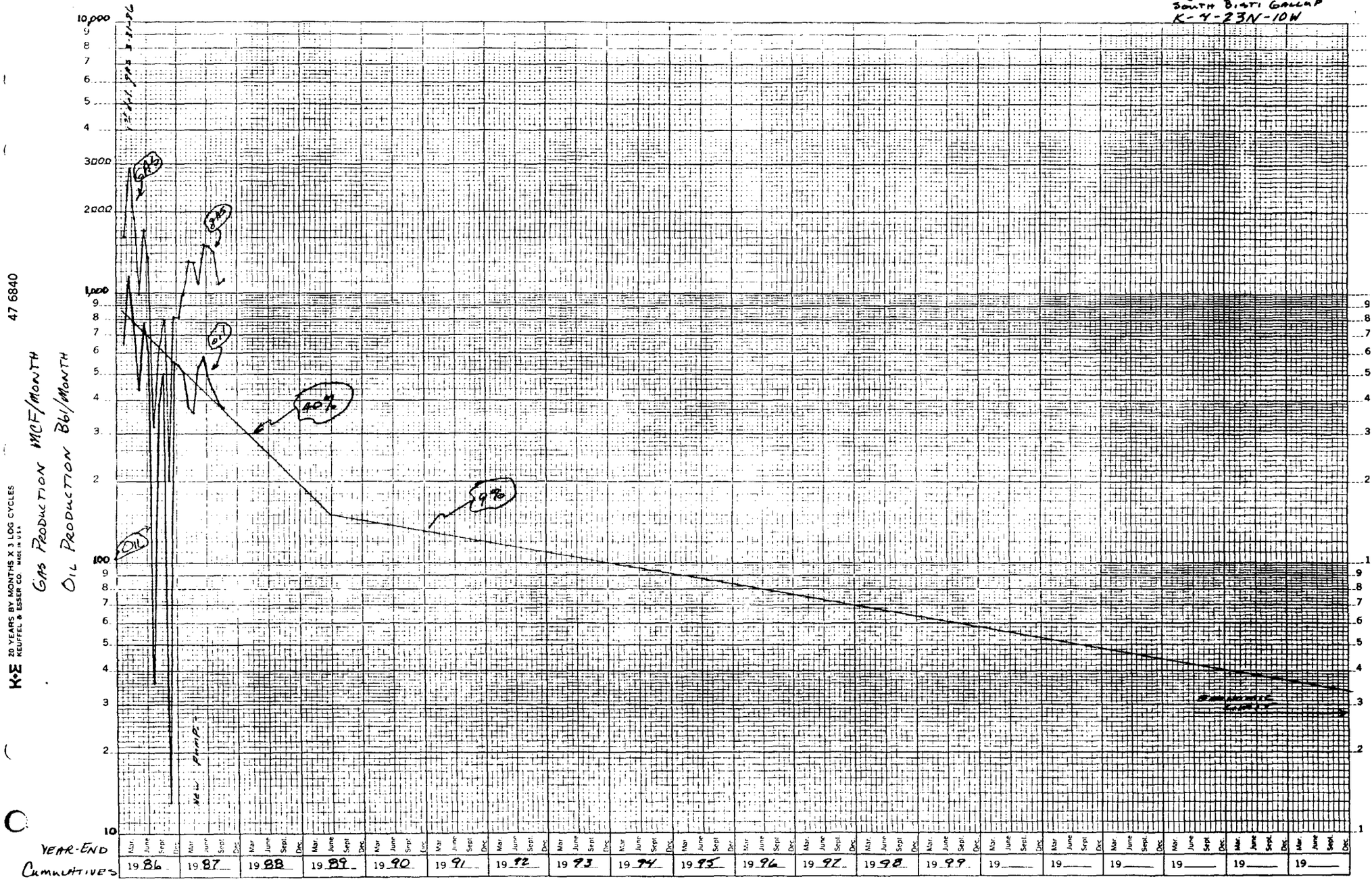
K&E 20 YEARS BY MONTHS X 3 LOG CYCLES
KEUFFEL & ESSER CO MADE IN U.S.A.

year end cumulative

oil, bbl -	1,708	4830	6289
gas, mcf -	3,196	9508	14231

ultimate oil Recovery @ Economic Limit:
= Cum to 11-1-87 + Remaining 11-1-87
= 7,991 bbl + (142 - 28) 127.2
= 7991 + 14,500
≈ 22,500 bbl

SQUAW VALLEY #1
SOUTH BISTI GALLUP
K-4-23N-10W



47 6840

K+E 20 YEARS BY MONTHS X 3 LOG CYCLES
KEUFFEL & ESSER CO. MADE IN U.S.A.

GAS PRODUCTION MCF/MONTH

OIL PRODUCTION Bbl/MONTH

	Mar	June	Sept	Dec
YEAR-END				
CUMULATIVES	19 86	19 87	19 88	19 89	19 90	19 91	19 92	19 93	19 94	19 95	19 96	19 97	19 98	19 99	19	19	19	19	19	19

OIL 5880
GAS 13155

Ultimate oil Recovery @ Economic Limit:

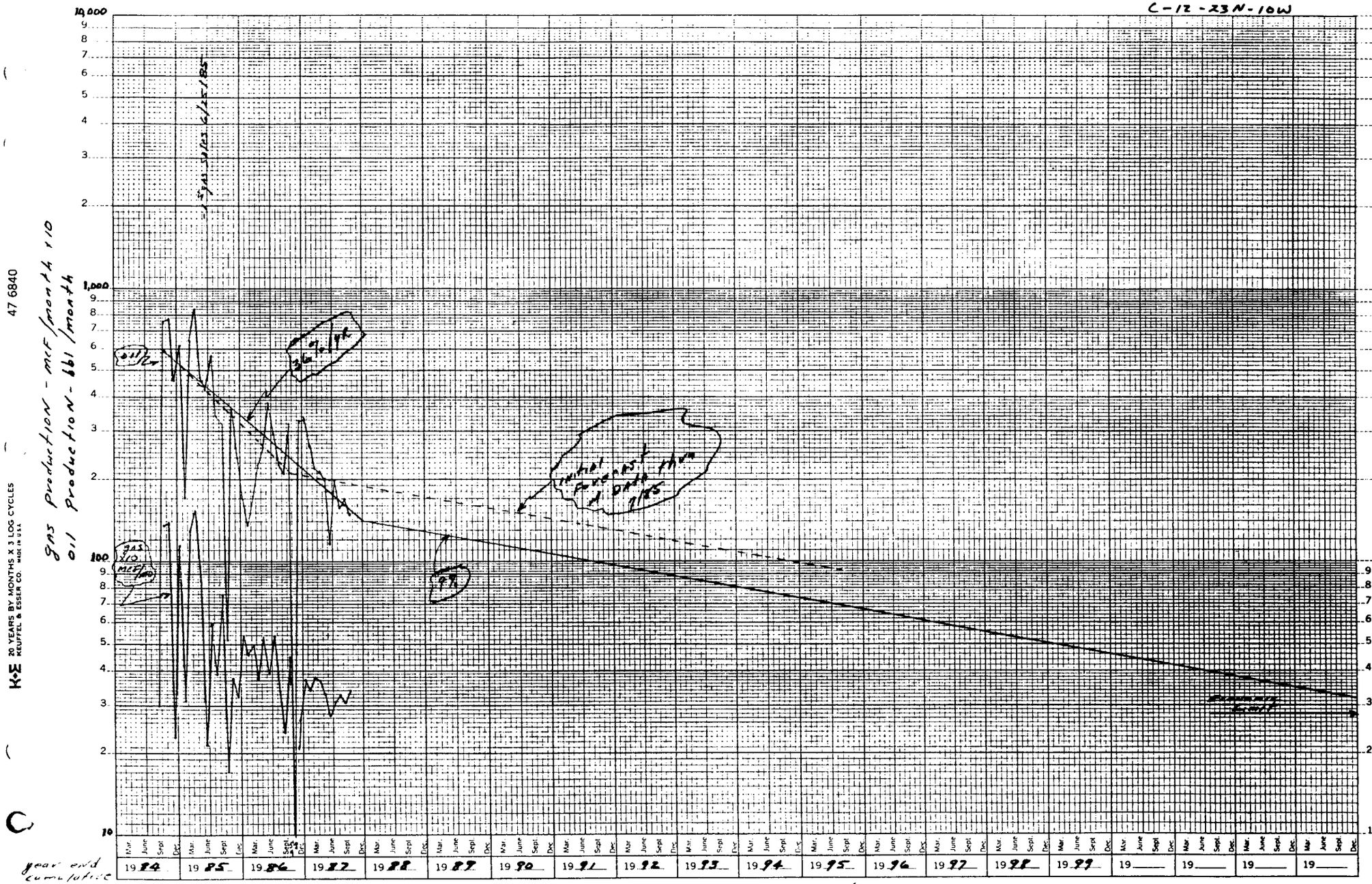
= Cum 11-1-87 + Remaining 11-1-87

= 10,438 + (356 − 150) 23.5 + (150 − 28) 127.2

= 10,438 + 4841 + 15,518

≈ 30,800 661

Mesa No. 4
South Bisti Gallup
C-12-23N-10W



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K·E 20 YEARS BY MONTHS X 3 LOG CYCLES
KEUFFEL & ESSER CO. MADE IN U.S.A.

year end cumulative

	19 84	19 85	19 86
oil, bbl -	2,009	7051	9768
gas, mcf -	5,987	10927	15581

Ultimate Recovery @ Economic Limit:

= cum to 11-1-87 + Remaining 11-1-87

= 11,785 + 150 + 145 + (140 - 28) 127.2

= 11,785 + 295 + 14,250

≈ 26,300 bbl

SCALE FOR SECTION
660 Ft.=1 Inch.

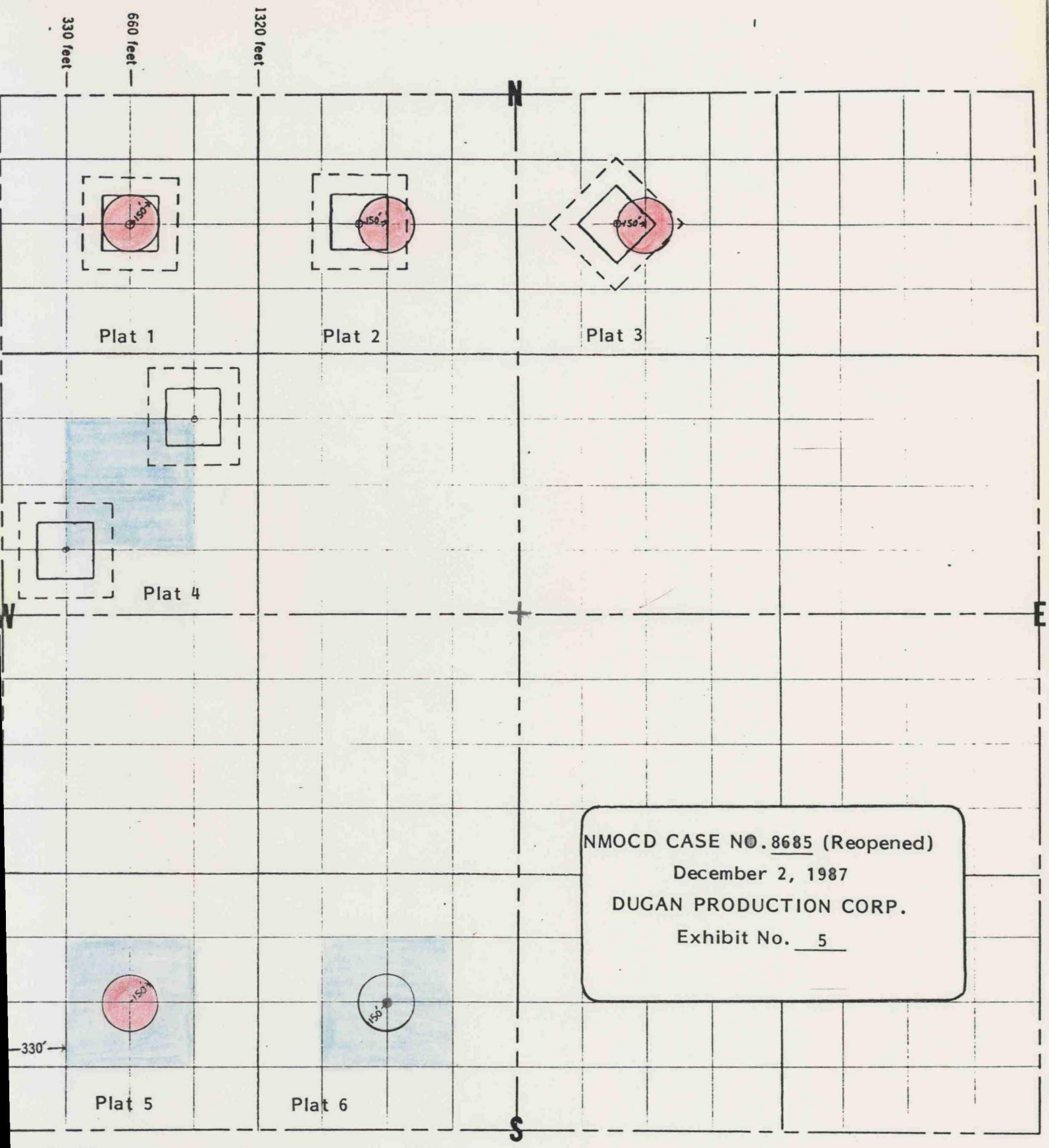

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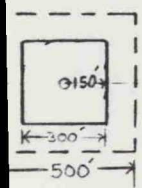
Exhibit No. 5



300' x 300' Typical Dugan Production Gallup Well Location
With 100' buffer required for archeological survey

NMOCD CASE NO. 8685 (Reopened)
December 2, 1987
DUGAN PRODUCTION CORP.
Exhibit No. 6

"EXHIBIT NO. 6"
(aka "The Good Times Rhyme")

On the 28th day of August, 1985
We came before you with Case #8685;
In December you named the South Bisti Gallup Pool,
Order No. R-8090 informed us of this rule.

We think we have a more fitting name,
Being "old-timers" at this game -
So we will try to convince you one more time,
Please take a moment to read our rhyme...

We come before you now
Seeking your judgment in this rule,
Shall the name remain "South Bisti Gallup"
Or be called the "Good Times Gallup Pool"?

What is in a name you ask?
Well, to us it was a special task;
We feel our name is quite appropriate,
And that you should consider using it!

Our reasons we have told before,
The wells are not the best you see -
And so for us to make a buck,
We must have "Good Times" in the economy!

We know your decision was not made in haste,
But in all fairness & good taste,
As founder & operator of all wells in the pool,
Shouldn't Dugan Production have some say in this rule?

You've read our rhyme, you know the facts,
Please take a moment, sit back...relax,
We ask you kindly to consider our petition,
And bring one final question before the Commission...

Will you settle for a name
A bit mundane and ordinary,
Or dare to be different,
And go with the extraordinary!

-Cheri Gunn
Dugan Production Corp.