



dugan production corp.

June 20, 2003

Ms. Dorothy Jacquez
New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410



Re: Transporter & Gas POD Numbers
Dugan Production Corp.'s
Mesa 90S (API No. 30-045-31382)
Mesa 91S (API No. 30-045-31383)

Dear Dorothy,

We recently (4/30/03) submitted new well C-104's for each of the captioned wells and presented the transporter for both wells as being Elm Ridge Resources (OGRID #149052). In addition, we presented the gas POD number as being 2813273 on both wells which is one of two central delivery meters on Dugan's Goodtimes Gas Gathering System. Both C-104's were approved, but you questioned the transporter and POD numbers. We believe the above information is correct. The other CDP for the Goodtimes Gas Gathering System is operated by El Paso (OGRID #151618) and carries a gas POD number of 2813271. Some gas from Goodtimes does go to El Paso, however the Mesa 90S & 91S wells go to Elm Ridge.

Please let me know if our information is not correct and/or there is still confusion as to the proper transporter and POD numbers.

Sincerely,

John D. Roe

John D. Roe
Engineering Manager

JDR/tmf

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