

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 1235 La Plata Highway, Suite A Farmington, New Mexico 87401

IN REPLY REFER TO: NM-21465, et al., (GC) 3160 (07100)

30-045-30720

September 28, 2001

CERTIFIED-RETURN RECEIPT REQUESTED 7106 4575 1292 2684 0258

Mr. Tom Dugan Dugan Production Corporation P.O. Box 420 Farmington, NM 87499

Dear Mr. Dugan:



The locations of several APDs submitted by Dugan Production currently fall within the haulage ways (headgates and tailgates) of the current San Juan Coal Company's underground mine plan. In the interest of mine safety BHP-Billiton has requested that the BLM/Dugan consider moving the locations to positions that lie within the future longwall panels of the mine plan. BHP has stated that they will pay for any additional costs associated with the location moves. The New Mexico Oil Conservation Division (NMOCD) has also stated that they would authorize non-standard locations in this area. The new location should be a minimum of 450 feet from the haulage way. The specific locations with suggested moves are listed below.

Sec. 24, T. 30 N., R. 15 W.	Centennial Com 2 Centennial Com 90 Centennial Com 91 Centennial 1	move 500 feet West move 700 feet West move 700 feet East move 200 feet West
Sec. 18, T. 30 N., R. 14 W.	Riviera Com 90	move 400 feet West
Sec. 19, T. 30 N., R. 14 W.	Turk's Toast 93	move 200 feet West
Sec. 17, T. 30 N., R. 14 W.	Turk's Toast 7 Turk's Toast 8	move 500 feet West move 1,000 feet West

If topography and infrastructure alignment allows for the well relocations, the BLM will assist in any way to expedite the issuance of the new APDs.