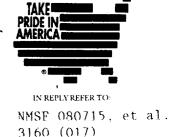


United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Rio Puerco Resource Area 435 Montano N.E. Albuquerque, New Mexico 87107-4935



NOV 8 1994

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

Gentlemen:

Per your letter dated December 8, 1993, we have reviewed your application and have determined that the following wells qualify for use of an Alternative Measurement Method for marginal low flow wells.

Lease #	Well Name				Location				
NMNM 73917	Sunico Federal #19	Sec. Sec. Sec. Sec.	26, 10,	T. T.	24 25	N., N.,	R. R.	2	W. W.

We agree that the above-mentioned wells meet the standards for Alternative Measurement Methods as stated in NTL 92-5 (New Mexico). Therefore, your application is approved as of December 8, 1993, and will stay in effect as long as the wells continue to meet these standards.

We regret any inconvenience that this late approval may have caused. If you have any questions, please contact Robert Kent at (505) 761-8762.

Sincerely,

Joe Incardine

Hector A. Villalobos Area Manager

cc:

/MMOCD

Cuba/AIRS

