



dugan production corp.

July 31, 2000

Mr. Mark Ashley
NM Oil Conservation Division
2040 South Pacheco Street
Santa Fe, NM 87505

Mr. Frank Chavez
NM Oil Conservation Division
1000 Rio Brazos Road
Aztec, NM 87410



Re: NMOCD Commingling Orders R-10655-A and PLC-173
Add five wells to Dugan's Com No. 1E CDP
Dugan Production's Tabor Gathering System

Dear Mr. Ashley and Mr. Chavez,

JDR
In an application dated 3/29/00 and approved by Order R-10655-A we proposed the addition of Dugan's Com No. 4, Federal I No. 99 and Tabor Com No. 90. Dugan's application dated 6/30/00 and approved by Commingling Order PLC-173 proposed the addition of Dugan's Jiggs No. 1 and No. 2 wells.

The captioned commingling orders included a stipulation that similar approvals were also obtained from the Bureau of Land Management (BLM) and the New Mexico State Land Office (NMSLO). Copies of approvals from both agencies are attached for your information and file.

The commingling order also stipulated that we advise the Aztec office of the NMOCD upon implementation of commingling. The Com No. 1E CDP (El Paso meter No. 90-887) was placed into service on 9/13/96 with Dugan's Com No. 1E and No. 2 producing. The Com No. 4 and Federal I No. 99 wells were added on 6/16/00. The Tabor Com No. 90 and Jiggs No. 1 and No. 2 wells will be added at later dates.

Should you have questions, please let me know.

Sincerely,

John D. Roe

John D. Roe
Engineering Manager

JDR/tmf

attachments

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