

dugan production corp.

July 5, 2000

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

Mr. Pete Martinez
New Mexico State Land Office
P. O. Box 1143
Santa Fe, NM 87504-1148

Mr. Richard Dembowski
Bureau of Land Management - Farmington Field Office
1235 La Plata Highway
Farmington, NM 87401

Re: Correction to Dugan's Application dated 6-30-00
Add 2 wells to Dugan's Com 1E CDP (Tabor Gathering System)
Plus Surface Commingling, Off-lease Measurement and Sale of Natural Gas
Dugan Production's Jiggs No. 1 & Jiggs No. 2
Federal Lease No. NM-0206995
San Juan County, New Mexico



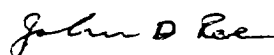
 Dear Mr. Ashley, Mr. Martinez, and Mr. Dembowski,

Attachment No. 2 to our 6-30-00 application has been revised to reflect a correction to the API number for the Jiggs No. 2 and the lease numbers for the Jiggs No. 1 and 2 wells. I've included a copy of Attachment No. 2 (revised 7-5-00) which should be used to replace Attachment No. 2 initially included in our application.

Also attached for your ease in noting these corrections is the original Attachment No. 2 on which I've noted the changes.

We hope this does not create any significant problem in your processing our application and appreciate your making the changes or using the revised version of Attachment No. 2 whichever is most convenient for you. Please let me know if you have questions.

Sincerely,



John D. Roe
Engineering Manager

JDR/atmf

attachments