

9/23/08 DATE IN	SUSPENSE	W Jones ENGINEER	9/24/08 LOGGED IN	PLC TYPE	PKVR0826831118 APP NO.
--------------------	----------	---------------------	----------------------	-------------	---------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] **[NSP-Non-Standard Proration Unit]** **[SD-Simultaneous Dedication]**
[DHC-Downhole Commingling] **[CTB-Lease Commingling]** **[PLC-Pool/Lease Commingling]**
[PC-Pool Commingling] **[OLS - Off-Lease Storage]** **[OLM-Off-Lease Measurement]**
[WFX-Waterflood Expansion] **[PMX-Pressure Maintenance Expansion]**
[SWD-Salt Water Disposal] **[IPI-Injection Pressure Increase]**
[EOR-Qualified Enhanced Oil Recovery Certification] **[PPR-Positive Production Response]**

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☒ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or.

[F] ☐ Waivers are Attached

* - See Attachment 4 - Notice sent
 by certified mail. Upon receiving
 receipts, copies will be mailed to
 NM OED

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

John D. Roe
Print or Type Name

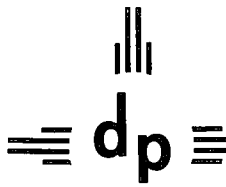
John D. Roe
Signature

Engineering Manager
Title

09/18/08
Date

johnroe@duganproduction.com
e-mail Address

RECEIVED
 2008 SEP 23 PM 2 57



dugan production corp.

September 18, 2008

Mr. Mark Fesmire, Director
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Mr. Steve Henke, Manager
Bureau of Land Management
1235 La Plata Highway
Farmington, NM 87401

Re: Application for Waterford 90 CDP
Dugan Production Corp.
NWNE Section 20, T-26N, R-12W
San Juan County, New Mexico

Unit B

Dear Mr. Fesmire and Mr. Henke,

We are writing to request your administrative approvals to convert the existing gas sales meter for Dugan Production's Waterford No. 90 (Enterprise Field Service's Meter No. 99451) to a 3 well central delivery gas sales meter (CDP) for Dugan Production's Waterford 90, Waterford Com 90S and Mike 1J. This will require the surface commingling of gas production from all three wells which includes production from the Basin Fruitland Coal (Pool No. 71629) and the WAW Fruitland Sand-Pictured Cliffs (Pool No. 87190), plus the off-lease measurement of gas production for the Mike 1J and Waterford Com 90S. The interest ownership is not common for all three wells and NMOCD Form C107-B is attached for this application.

Attachment No. 1 presents the proposed gathering system and CDP along with the subject wells and leases. The Waterford 90 was completed in the Basin Fruitland Coal on 6/30/97 and has produced 465,955 mcf as of 8/1/08. Production currently averages 89 mcf/d. The Waterford Com 90S was spudded on 6/6/08 and has been perforated in the Basin Fruitland Coal as an infill to the Waterford 90. Upon completion of the CDP and gathering system lines, we plan to fracture stimulate the Waterford Com 90S and anticipate production will average approximately 200 mcf/d. The Waterford 90 and Waterford 90S share a common north half, 320.0 acre spacing unit which includes two Federal leases (Dugan Production's NM-10246 & Running Horse's NM-12028) communitized under Communitization Agreement NMNM99326. All interest ownership in these two wells is common and production from these two wells will account for approximately 94% of the CDP volumes. Interest ownership is presented on Attachment No. 3.

The Mike 1J was completed on 7/30/79 in the WAW Fruitland PC pool which was later redesignated as the WAW Fruitland Sand PC pool upon formation of the Basin Fruitland Coal pool. Gas sales are currently direct to Enterprise Field Services (Meter No. 90652) and production currently averages 8 mcf/d + 0.08 bwpd. As of 8/1/08, the Mike 1J has produced 359,891 mcf, averaging 33 mcf/d during its 30 year life. Attachment No. 5 presents production histories for the Waterford 90 and Mike 1J wells. The 160.0 acre spacing unit for the Mike 1J comprises the NW/4 of Section 20 and includes Dugan's Federal Lease NM-10246. Interest ownership in the Mike 1J is not common with the interest ownership in the Waterford 90 and Waterford Com 90S. All royalty interest is Federal and is common to both wells, only the working interest and overriding royalty interest are different.

Attachment No. 2 presents the proposed facility diagram along with pertinent well information. Upon approval of the proposed CDP, the gas sales meter for the Mike 1J (Enterprise Meter No. 90652) will be disconnected and replaced with an allocation meter which will be similar to the allocation meters installed on the Waterford 90 and Waterford Com 90S. The allocation meters will be continuous recording conventional dry flow meters and will be operated and maintained by Dugan Production. The gas charts

from each allocation meter will be integrated monthly by a commercial integration service. The integrated volumes, along with the gas BTU's from each well will be used to determine monthly allocation factors for allocating CDP gas volumes, BTU's and revenues to each individual well. ~~The proposed allocation procedures are presented on Attachment No. 6. The CDP gas sales meter (Enterprise-Meter-No. 99451) will continue to be operated and maintained by Enterprise Field Services.~~

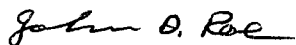
There will not be any commingling of liquids. None of the three wells produce oil or condensate and only a small amount of water is being produced which will be separated and stored at each of the three wells.

The proposed gathering system will allow all three wells to benefit from a central compressor located at the CDP. The gathering system integrity will be routinely monitored using Dugan Production's portable gas detection equipment. Dugan Production will install and maintain all gathering system lines and equipment at our expense and the only cost to working interest owners will be a monthly fee for gathering (currently \$0.27/mmbtu) and compression (currently \$0.09/mmbtu). The gathering and compression fees reflect current costs and may be adjusted as changes occur. There will be no costs to the royalty or overriding royalty interest owners and operation of the proposed CDP will help to maximize the recovery of natural gas reserves from the subject wells.

All interest owners are being given notice of this application by certified, return-receipt mail and upon receiving the receipts; copies will be forwarded to the NMOCD. Attachment No. 4 presents copies of our notice to interest owners.

Should you have questions or need additional information, please let me know.

Sincerely,



John D. Roe
Engineering Manager

JDR/tmf

xc: NMOCD - Aztec

District I
1625 N. French Drive, Hobbs, NM 88240
District II
1301 W. Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised June 10, 2003

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Dugan Production Corp.

OPERATOR ADDRESS: P. O. Box 420, Farmington, NM 87499-0420

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	MMBTU/D	Calculated Value of Commingled Production	Volumes
Basin Fruitland Coal (71629)	1012	1018	303.6	Gas will be allocated	300 mcf/d
WAW Fruitland Sand PC (87190)	1109		22.2	& sold on MMBTU	20 mcf/d
				Basis	
		Total	325.8	TOTAL	320 mcf/d

(2) Are any wells producing at top allowables? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No See Attachment 4

(4) Measurement type: ☒ Metering ☐ Other (Specify) See Attachment No. 7

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☒ No

(2) Include proof of notice to all interest owners. Attachment No. 9

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location. Attachment 1

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved. Attachment 1

(3) Lease Names, Lease and Well Numbers, and API Numbers. Attachments 2

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: John D. Roe

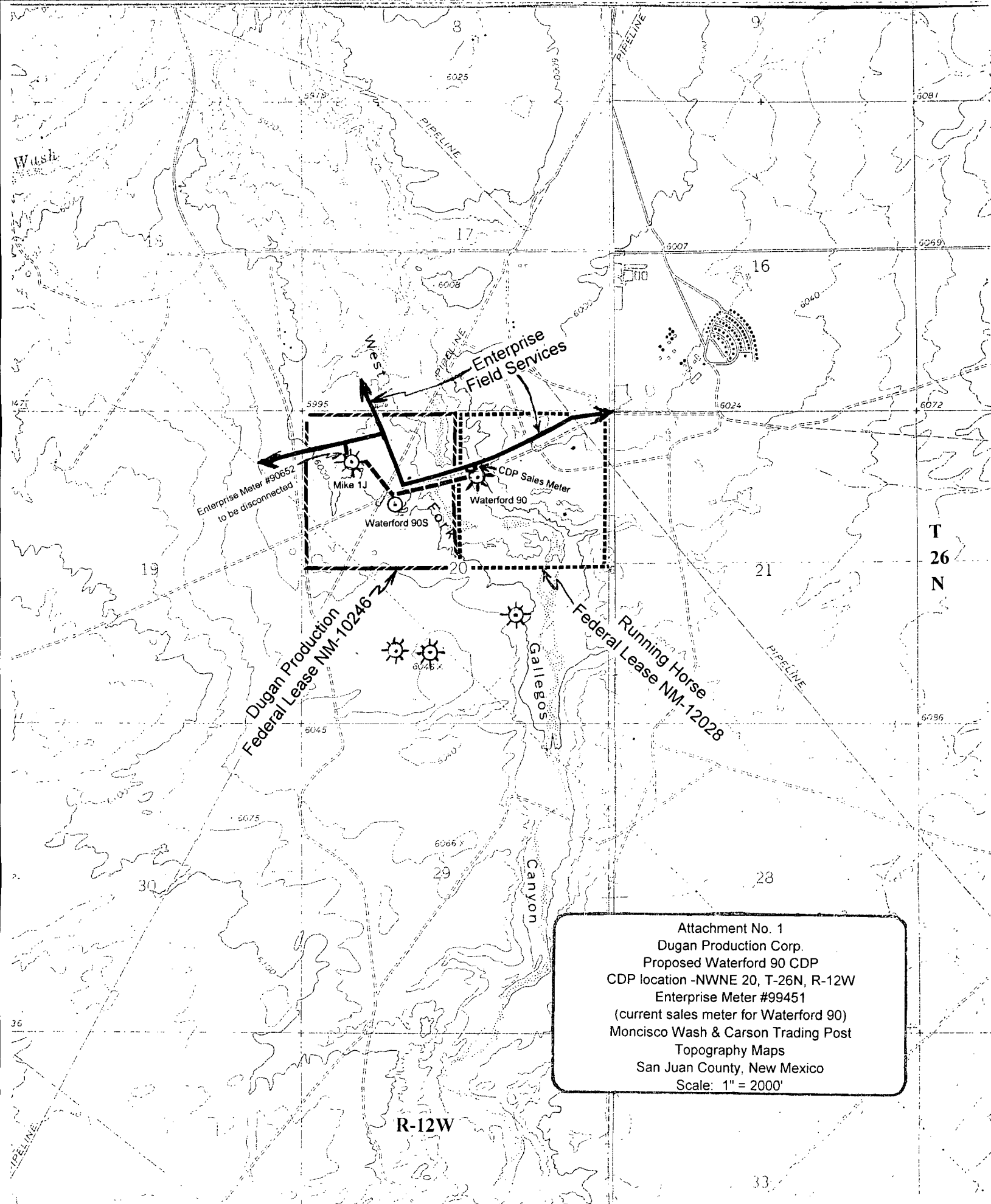
TITLE: Engineering Manager

DATE: 9/18/08

TYPE OR PRINT NAME John D. Roe

TELEPHONE NO.: 505-325-1821

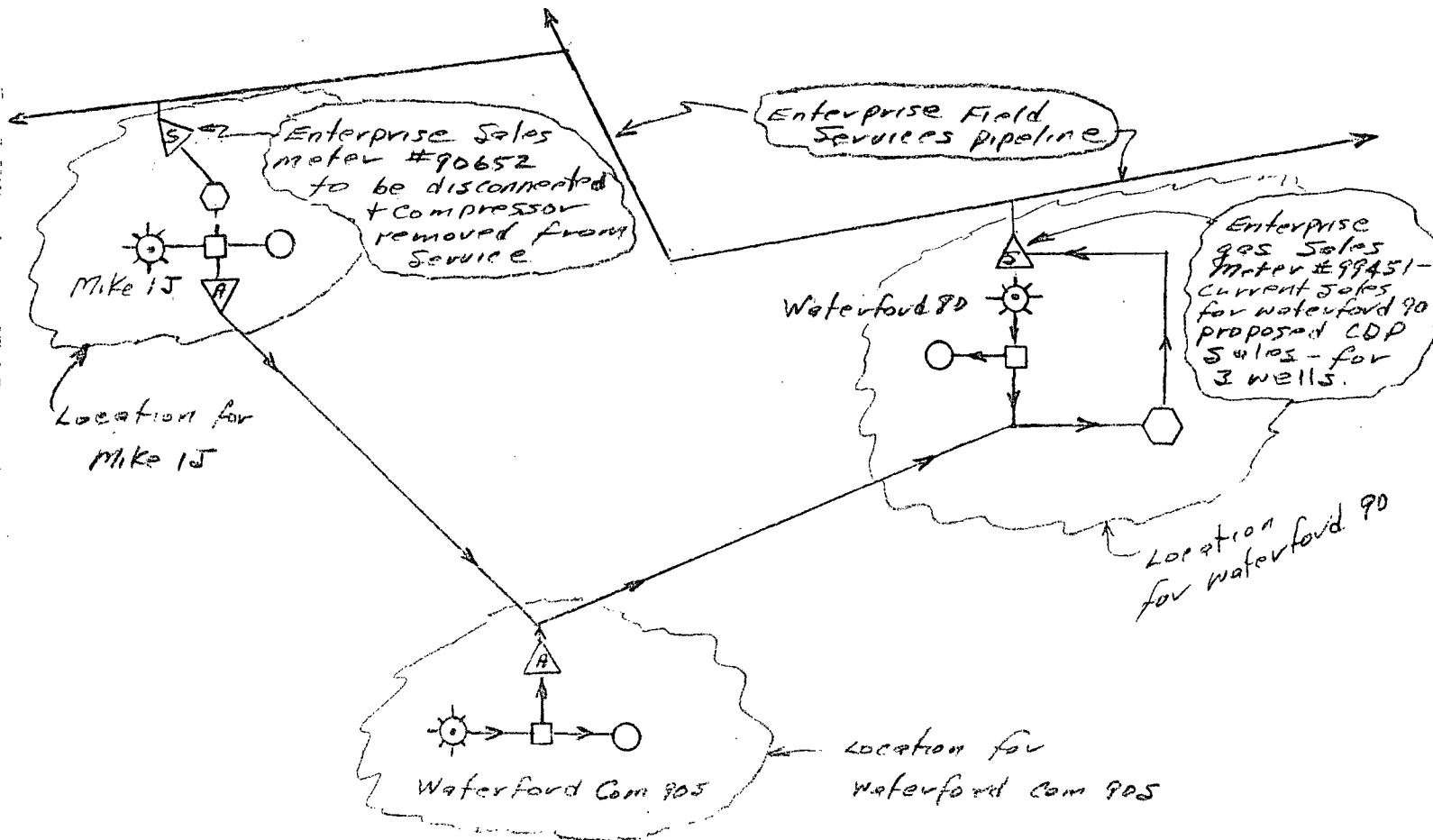
E-MAIL ADDRESS: johnroe@duganproduction.com



Attachment No. 1
Dugan Production Corp.
Proposed Waterford 90 CDP
CDP location -NWNE 20, T-26N, R-12W
Enterprise Meter #99451
(current sales meter for Waterford 90)
Moncisco Wash & Carson Trading Post
Topography Maps
San Juan County, New Mexico
Scale: 1" = 2000'

Attachment No. 2
Facility Diagram
 Proposed Waterford 90 CDP
 Section 20, T-26N, R-12W
 San Juan County, New Mexico

Well Name	API No.	Location + unit	Pool	Spacing Unit
Mike 1J	30-045-23415	860'FN + 860'FW (D)	WAW Fruitland Sand-RC	NW/4 - 160.0A
Waterford 90	30-045-29453	1105'FN + 2250'FE (B)	Basin Fruitland Coal	N/2 - 320.0A
Waterford Com 905	30-045-33781	1575'FN + 1575'FW (A)	Basin Fruitland Coal	N/2 - 320.0A



- Legend
- - Water Storage tank
 - - Gas/water Separator
 - ⬡ - Gas Compressor
 - ▽ - Gas Meter
 - S = Sales
 - A = Allocation

Not Drawn to
Scale

**ATTACHMENT NO. 3
Dugan Production Corp.**

<u>Well Name</u>	<u>Pool</u>	<u>Location</u>	<u>Spacing Unit</u>
Mike #1J	WAW Fruitland Sand PC	NWNW 20-26N-12W	NW/4-160.0A
Waterford #90*	Basin Fruitland Coal	NWNE 20-26N-12W	N/2-320.0A
Waterford Com #90S*	Basin Fruitland Coal	SENE 20-26N-12W	N/2-320.0A

*-spacing unit communitized – CA No. NMNM99326

INTEREST OWNER

INTEREST%

	<u>Mike #1J</u>		<u>Waterford Com #90 & #90S</u>	
	<u>Gross</u>	<u>Net</u>	<u>Gross</u>	<u>Net</u>
<u>Working Interest</u>				
Dugan Production Corp.	100.00	78.500	50.00	39.2500
Running Horse Production Co.	-0-	-0-	50.00	40.8750
P. O. Box 369				
Ignacio, CO 81137				
<u>Royalty</u>				
USA-Bureau of Land Management	-0-	12.50	-0-	12.5000
1235 La Plata Highway				
Farmington, NM 87401				
<u>Overriding Royalty Interest</u>				
BP America Production Co.	-0-	-0-	-0-	2.5000
501 Westlake Park Blvd.				
Houston, TX 77079-3092				
Cindy S. Donaldson	-0-	4.00	-0-	2.0000
1533 9 th Avenue				
Longview, WA 98632				
Sherman Dugan	-0-	1.00	-0-	0.5000
P. O. Box 420				
Farmington, NM 87499-0420				
Jim L. & Mary Lou Jacobs	-0-	1.00	-0-	0.5000
Living Trust				
3505 Crescent Avenue				
Farmington, NM 87401				
Bob Kenny	-0-	3.00	-0-	1.5000
2518 Wembly Drive				
St. Louis, MO 63125-3617				
KTM Holdings	-0-	-0-	-0-	0.3750
7691 Garrison Court				
Arvada, CO 80005				
<u>TOTAL WELL</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.0000</u>

Attachment No. 4
Interest Ownership Notification
Dugan Production Corp.'s Application dated 9/18/08
Proposing to convert the existing gas sales meter for Dugan Production's Waterford 90
(Enterprise Field Service's Meter No. 99451) to a 3 well central delivery gas sales meter (CDP)
For Dugan Production's Waterford 90, Waterford Com 90S & Mike 1J

Presenting evidence that all interest ownership in the subject wells have been given notice of Dugan's application, attached is:

Note: A tabulation presenting the interest ownership for all wells is presented on Attachment No. 3 of the application.

1. A copy of Dugan's transmittal letter dated 9/18/08 used to send a copy of the subject application to the only working interest owner in addition to Dugan Production. Only the transmittal letter is included in this Attachment. The transmittal letter delivered to Running Horse Production Co. did include a complete copy of the subject application. This letter was sent by certified mail with a return receipt requested. Upon receiving the receipts, a copy will be sent to the NMOCD.
2. Copy of Dugan's transmittal letter dated 9/18/08 used to send a copy of the subject application to the six overriding royalty interest owners. Only the transmittal letter is included in this attachment. The transmittal letter delivered to each of the overriding royalty interest owners did include the complete application. This letter was either hand delivered or was sent by certified mail with a return receipt requested. Upon receiving the receipts, copies will be sent to the NMOCD along with statements reflecting the copies that were hand delivered.
- ③ All royalty interest for the three subject wells is federal. There is no fee acreage. In addition to the NMOCD, this application is also addressed to the Bureau of Land Management (BLM) for the two federal leases involved. The letter to the BLM was sent by certified mail with a return receipt requested. Upon receiving the receipt, a copy will be sent to the NMOCD.
4. There was no legal advertisement published for the subject application since the interest ownership and addresses are known with a reasonable level of confidence.



dugan production corp.

Attachment
No. 4
Pg 2 of 3

September 18, 2008

CERTIFIED RETURN
RECEIPT REQUESTED

Running Horse Production Co.
P. O. Box 369
Ignacio, CO 81137

Re: Dugan Production's Application for
Central Delivery Gas Sales (CDP)
Waterford 90, Waterford Com 90S & Mike 1J
Section 20, T-26N, R-12W
San Juan County, New Mexico

Dear Interest Owner,

Attached for your information and review is a copy of Dugan's application to the New Mexico Oil Conservation Division (NMOCD) and Bureau of Land Management (BLM) requesting their approvals to install and operate a central delivery gas sales meter (CDP) for the three subject wells, all operated by Dugan Production. According to our records, you have a working interest in the two Waterford wells. The well and interest ownership information is presented on Attachment No. 3 to our application. Dugan Production will install, operate and maintain the gathering system and will pay all costs associated with this proposal. As a working interest owner in wells connected to the gathering system, your only costs will be a monthly fee for gathering and compression based upon production volumes for the wells in which you have a working interest. You will not be billed for any costs associated with installing the gathering system (including the allocation meters). Dugan Production's current company-wide gathering system fee is \$0.27/MMBTU, and our compression fee is \$0.09/MMBTU. These fees will be used until operating economics indicate the need for revisions. The addition of the Mike 1J should have little to no affect upon production from the Waterford 90 and Waterford Com 90S wells and will allow all three wells to use the compressor currently installed for the Waterford 90. This proposal will allow for optimum operations on all wells and will allow all wells to benefit from central compression which should keep wellhead operating pressures as low as possible. This method of operation will help keep our operating expenses as low as possible, and will allow for the recovery of more of the gas reserves from each well.

This matter does not require any action on your part. NMOCD regulations require that all interest owners receive notice of our application. Should you have questions, need additional information, or have any concern as to our application, please let me know. Should you have an objection to our application, please let me know and you should contact the NMOCD directly within 20 days from the date the NMOCD receives our application which will approximately 9/19/08. The mailing address for the NMOCD is 1220 South St. Francis Drive in Santa Fe, New Mexico, 87505. We would appreciate receiving a copy of your objection.

Sincerely,

John D. Roe

Engineering Manager

JDR/tmf

Attachments

xc: New Mexico Oil Conservation Division, Bureau of Land Management



dugan production corp.

Attachment
No. 4
Pg 3 of 3

CERTIFIED RETURN
RECEIPT REQUESTED

September 18, 2008

BP America Production Co.
501 Westlake Park Blvd.
Houston, TX 77079-3092

Cindy S. Donaldson
1533 9th Avenue
Longview, WA 98632

Sherman Dugan
P. O. Box 420
Farmington, NM 87499-0420

Jim L. & Mary Lou Jacobs
Living Trust
3505 Crescent Avenue
Farmington, NM 87401

Bob Kenny
2518 Wembly Drive
St. Louis, MO 63125-3617

KTM Holdings
7691 Garrison Court
Arvada, CO 80005

Re: Dugan Production's Application for
Central Delivery Gas Sales (CDP)
Waterford 90, Waterford Com 90S & Mike 1J
Section 20, T-26N, R-12W
San Juan County, New Mexico

Dear Interest Owner,

Attached for your information and review is a copy of Dugan's application to the New Mexico Oil Conservation Division (NMOCD) and Bureau of Land Management (BLM) requesting their approvals to install and operate a central delivery gas sales meter (CDP) for the three subject wells, all operated by Dugan Production. According to our records, each of you has an overriding royalty interest in one or more of the subject wells. The well and interest ownership is presented on Attachment No. 3 to our application. Dugan Production will install, operate and maintain the gathering system and will pay all costs associated with this proposal. As an overriding royalty interest owner you will have no costs associated with this proposal and your interest in these wells should not be affected, other than to hopefully increase revenues as a result of placing the Waterford Com 90S on production plus improved production in the Mike 1J.

This matter does not require any action on your part. NMOCD regulations require that all interest owners receive notice of our application. Should you have questions, need additional information, or have any concern as to our application, please let me know. Should you have an objection to our application, please let me know and you should contact the NMOCD directly within 20 days from the date the NMOCD receives our application which will approximately 9/19/08. The mailing address for the NMOCD is 1220 South St. Francis Drive in Santa Fe, New Mexico, 87505. We would appreciate receiving a copy of your objection.

Sincerely,

John D. Roe

Engineering Manager

JDR/tmf

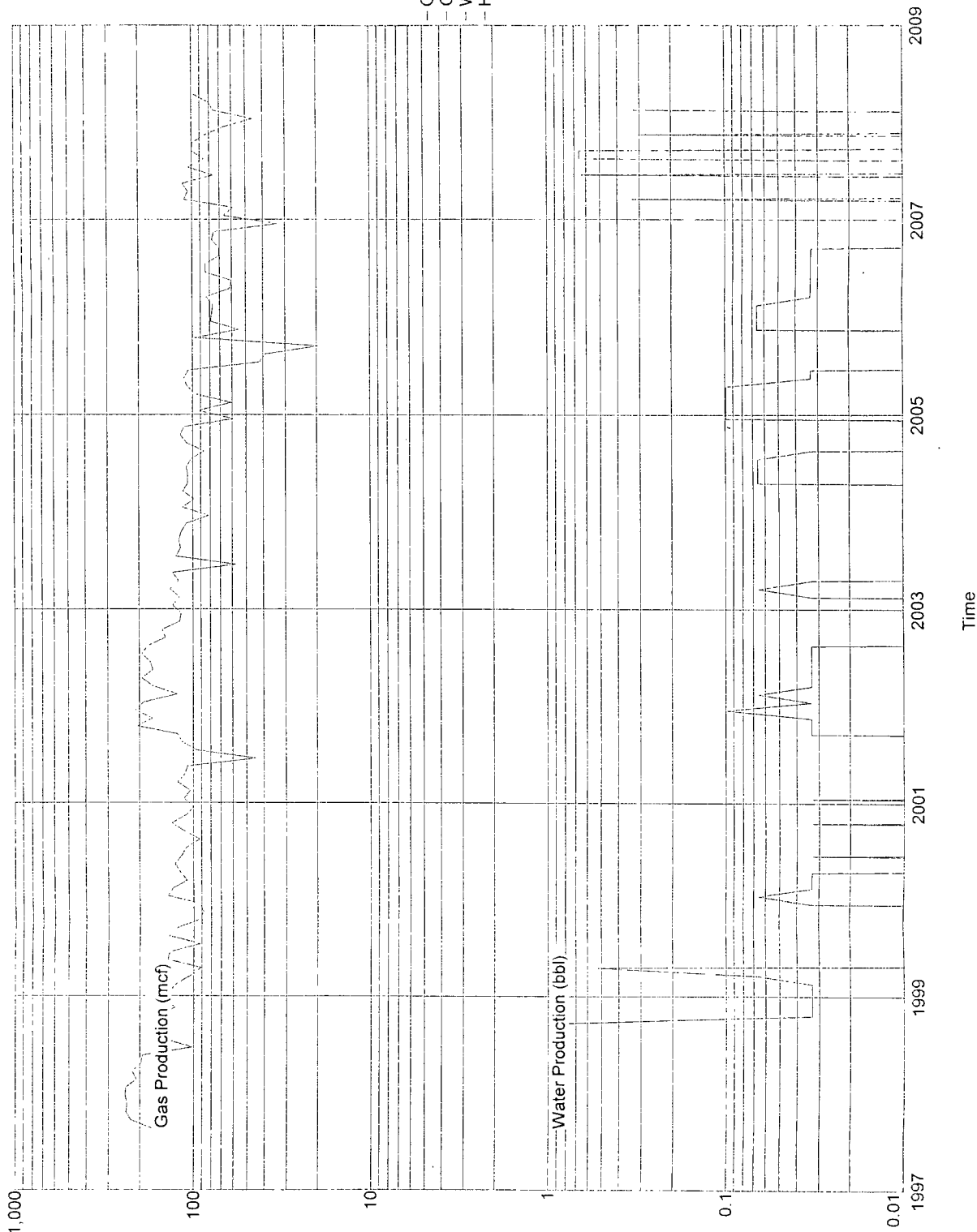
Attachments

xc: New Mexico Oil Conservation Division, Bureau of Land Management

Lease Name: WATERFORD #70
 County, State: SAN JUAN, NM
 Operator: DUGAN PRODUCTION CORPORATION
 Field: BASIN
 Reservoir: FRUITLAND COAL
 Location: 20 26N 12W NW NE
data thru 4/08

*Attachment
 No. 5
 Pg 1 of 2*

WATERFORD - BASIN

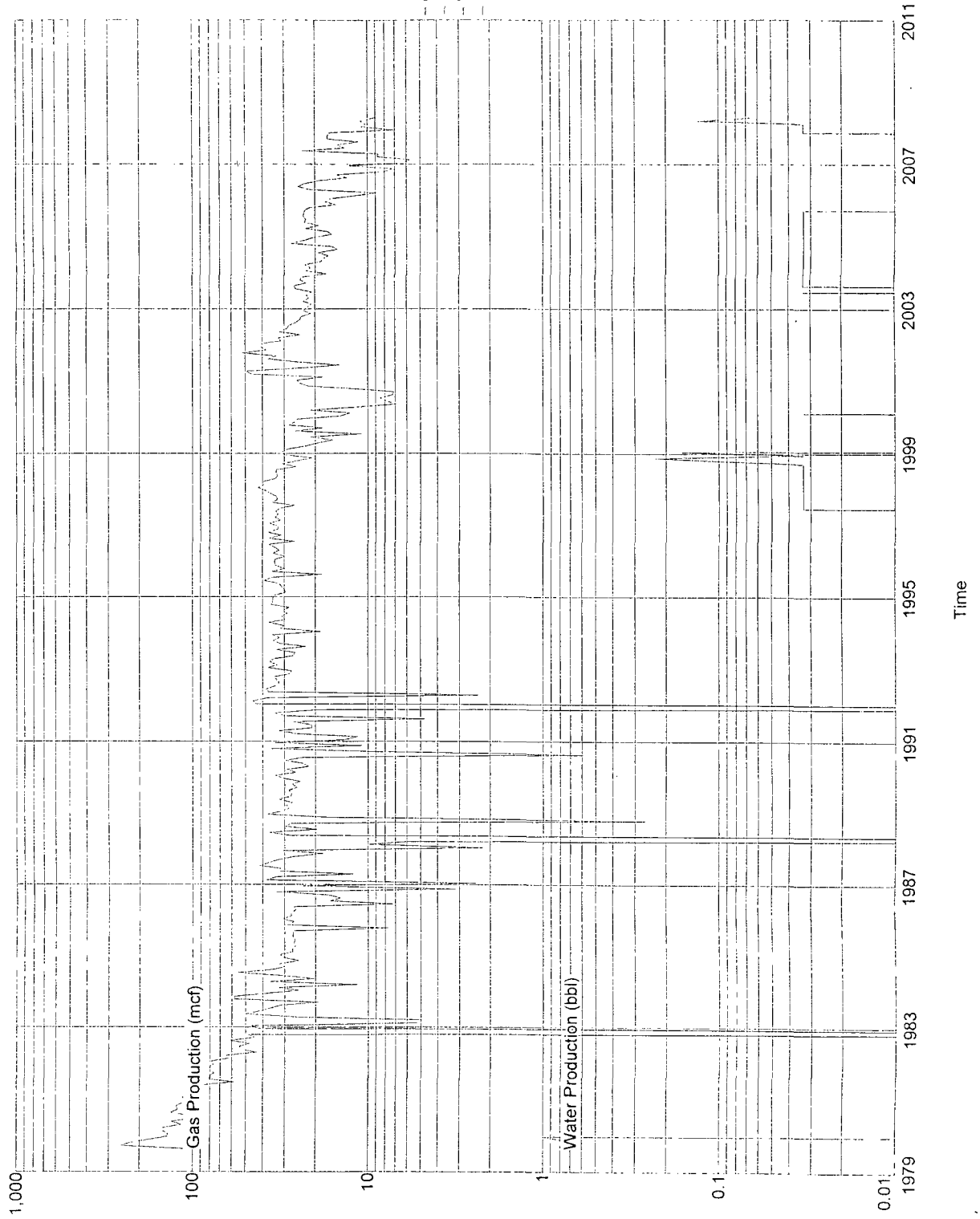


- Oil Production (bbl) Daily
- Gas Production (mcf) Daily
- Water Production (bbl) Daily
- Historical Well Counts

Lease Name: MIKE 12
County, State: SAN JUAN, NM
Operator: DUGAN PRODUCTION CORPORATION
Field: WAW
Reservoir: FRUITLAND PICTURED C
Location: 20 26N 12W SE NW NW
data thru 9/08

Attachment
No. 5
Pg 2 of 2

MIKE - WAW



- Oil Production (bbl) Daily
- Gas Production (mcf) Daily
- Water Production (bbl) Daily
- Historical Well Counts



dugan production corp.



October 9, 2008

Mr. Mark Fesmire, Director
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Application for Waterford 90 CDP dated 9-18-08
Dugan Production Corp.
NWNE Section 20, T-26N, R-12W
San Juan County, New Mexico

RECEIVED
2008 OCT 14 PM 2 54

Dear Mr. Fesmire,

Attached for your consideration of the captioned application are copies of the certified mail return receipts along with the statements confirming that all parties holding an interest ownership in the three wells subject to this application have received notice of our application (reference Application Attachment No. 3 for a listing of the interest owners and Attachment No. 4 for copies of the notice provided).

Attachment A presents copies of the certified mail return receipts for;

1. Running Horse Production Co. which is the only other working interest owner, other than Dugan Production;
2. The Bureau of Land Management as the only royalty interest owner and;
3. Two of the six overriding royalty interest owners, Cindy S. Donaldson plus KTM Holdings.

Attachment B presents a copy of the U. S. Postal Service's "Track & Confirm" printout for certified mail No. 7005-2570-0001-3772-1214 which was addressed to BP America in Houston, Texas, as an overriding royalty interest owner. We have not received the return receipt from our mailing to BP, however the "Track & Confirm" does verify that our certified mail was delivered at 5:59 a.m. on 9-24-08.

In addition, I personally delivered complete copies of our application to overriding royalty interest owners Sherman Dugan (son to Mr. Dugan), plus Jim L. Jacobs (friend to Mr. Dugan and retired employee) on 9-19-08 and 9-30-08, respectively. I reviewed the application with both parties and neither had any objection. I also mailed by regular mail, a complete copy of our application to overriding royalty interest owner Mr. Bob Kenny and Mr. Thomas A. Dugan, owner of Dugan Production Corp., has advised that his brother-in-law, Mr. Bob Kenny, did receive our application and has no objections.

In addition to providing a proof of notice to all interest owners, I am attaching a revised copy of Attachment No. 2 to our application. The only change is the addition of an allocation meter on the gas stream leaving the separator at the Waterford No. 90 which was inadvertently left off the initial presentation of Attachment No. 2. Our letter transmitting the application did present that all three wells would have allocation meters, I just left it off the facility diagram. Please substitute the revised Attachment No. 2 for the initial Attachment No. 2.

Should you have questions or need additional information, please let me know.

Sincerely,

John D. Roe
John D. Roe
Engineering Manager

JDR/tmf

Attachments

Attachment
A
PS 1051

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Running Three Industries Co.
P.O. Box 369
Ignacio, CO 81137

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent ☐ Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☒ No
If YES, enter delivery address below:

SEP 22 2004
137

- 3. Service Type ☒ Certified Mail ☐ Express Mail ☐ Registered ☒ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
- 4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

7005 2570 0001 3772 1191

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

KTM Holdings
7691 Brimwood Court
Durango, CO 80005

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent ☐ Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☒ No
If YES, enter delivery address below:

SEP 21 2004
137
FREE

- 3. Service Type ☒ Certified Mail ☐ Express Mail ☐ Registered ☒ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
- 4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

7005 2570 0001 3772 1236

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Bureau of Road Management
1235 W. State Highway
Durango, NM 87401

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent ☐ Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☒ No
If YES, enter delivery address below:

SEP 21 2004
137

- 3. Service Type ☒ Certified Mail ☐ Express Mail ☐ Registered ☒ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
- 4. Restricted Delivery? (Extra Fee) ☐ Yes

2. Article Number

7005 2570 0001 3772 1207

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Linda S. Donaldson
1533 9th Avenue
Durango, CO 80005

COMPLETE THIS SECTION ON DELIVERY

- A. Signature ☒ Agent ☐ Addressee
- B. Received by (Printed Name) C. Date of Delivery
- D. Is delivery address different from item 1? ☐ Yes ☒ No
If YES, enter delivery address below:

SEP 21 2004
137

- 3. Service Type ☒ Certified Mail ☐ Express Mail ☐ Registered ☒ Return Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
- 4. Restricted Delivery? (Extra Fee) ☐ Yes

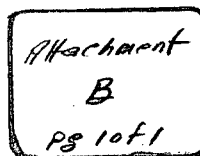
2. Article Number

7005 2570 0001 3772 1221

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1

[Home](#) | [Help](#) | [Sign In](#)[Track & Confirm](#)[FAQs](#)

Track & Confirm

Search Results

Label/Receipt Number: 7005 2570 0001 3772 1214

Status: **Delivered**

Your item was delivered at 5:59 AM on September 24, 2008 in HOUSTON, TX 77079.

Track & Confirm

Enter Label/Receipt Number.

[Go >](#)

Notification Options

Track & Confirm by email

Get current event information or updates for your item sent to you or others by email.

[Go >](#)[Site Map](#)[Contact Us](#)[Forms](#)[Gov't Services](#)[Jobs](#)[Privacy Policy](#)[Terms of Use](#)[National & Premier Accounts](#)

Copyright© 1999-2007 USPS. All Rights Reserved.

No FEAR Act EEO Data

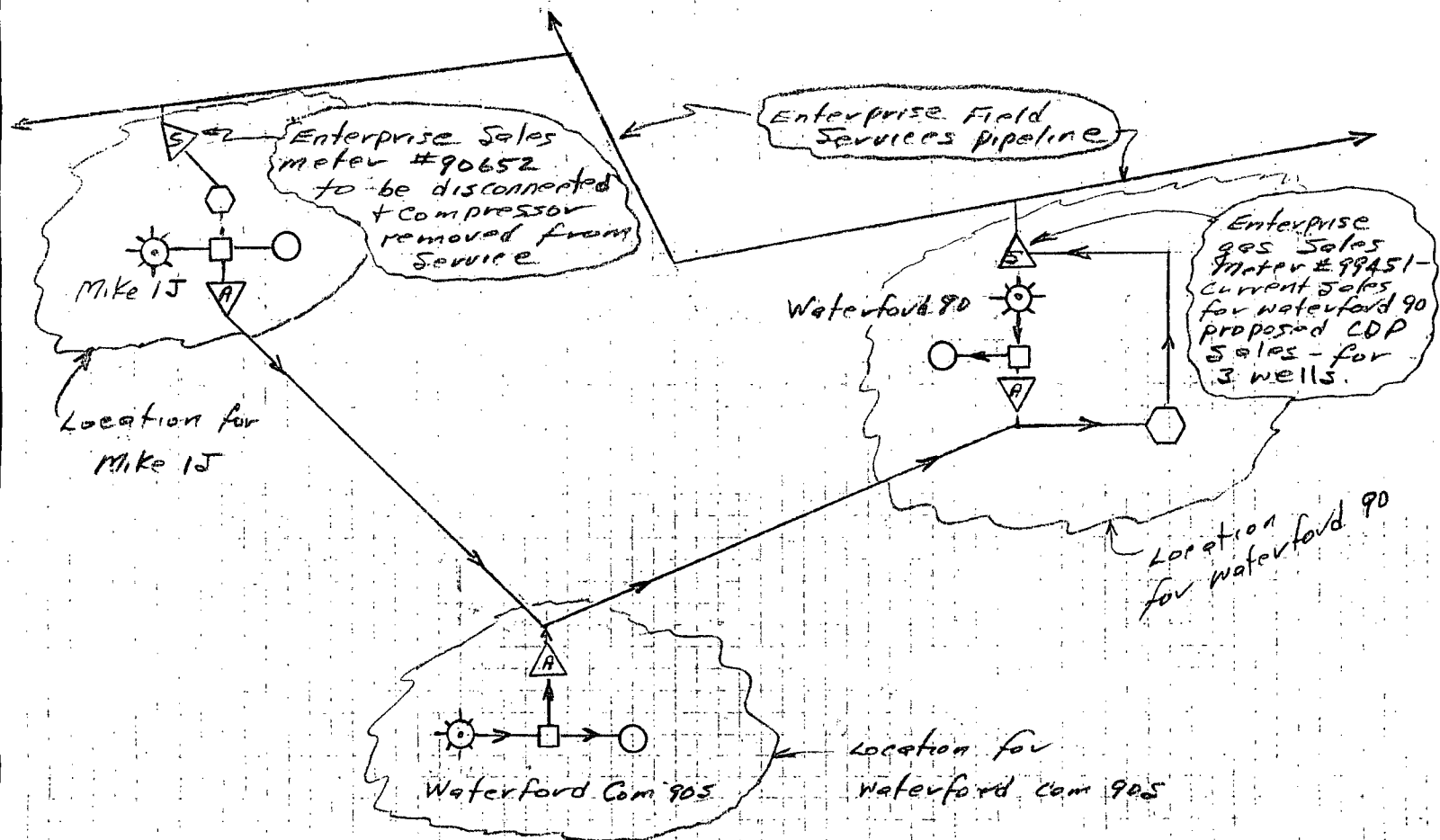
FOIA

Useful Links
Domestic Mail OnlyInternational
Domestic Mail Only

U.S. Postal Service	
CERTIFIED MAIL RECEIPT	
(Domestic Mail Only, No Insurance Coverage Provided)	
For delivery information visit our website at www.usps.com	
OFFICIAL USE	
Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$
Postmark Here	
Sent To BP America Production Co. Street, Apt. No., or PO Box No. 501 Westlake Park Blvd City, State, ZIP+4 Houston, TX 77079-3092	
PS Form 3800, June 2002 See Reverse for Instructions	

Revised
Attachment No. 2
Facility Diagram
Proposed Waterford 90 CDP
Section 20, T-26N, R-12W
San Juan County, New Mexico

Well Name	API No.	Location + Unit	Pool	Spacing Unit
Mike 1J	30-045-23415	860'FN + 860'FW (D)	WAW Fruitland Sand-RE	NW/4 - 160.0A
Waterford 90	30-045-29453	1105'FN + 2250'FE (B)	Basin Fruitland Coal	N/2 - 320.0A
Waterford Com 90S	30-045-33781	1575'FN + 1575'FW (F)	Basin Fruitland Coal	N/2 - 320.0A



Legend

- - Water Storage tank
- - Gas/Water Separator
- ◇ - Gas Compressor
- ▽ - gas Meter
- S = Sales
- A = Allocation

Not Drawn to
Scale