

June 25, 2002

Ms. Lori Wrotenbery New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

Re: Dugan Production's 06-03-02 Application to Consolidate Two Gathering Systems State Com No. 1 and State Com No. 2 CDPs San Juan County, New Mexico

Dear Ms. Wrotenbery:

Attached for your consideration of the subject application is a copy of the return receipt cards for 20 of the 22 interest owners having interest in one or more of the five wells connected to the subject gas gathering systems. In addition, I have attempted to contact by phone the two interest owners for which return receipts have not been received.

On 06-21-02 I was able to confirm by phone (615-665-2863) that Mr. John W. Barringer has received the copy of our 06-03-02 application mailed to him and that he had no objection.

On three separate days, 06-20-02, 06-21-02 and 06-25-02, I placed calls to Dr. JoAnne Callan at her home (858-481-1094) and her office (858-457-3713). Messages were left on her office answering machine. I have had no response from Dr. Callan and am of the belief that she is out of town. I know her address to be good and have visited with her by phone on prior applications. Her overriding royalty interest represents 0.044% in two wells (State Com No. 2 and State Com No. 90R).

Thus, with the attached return receipt cards, plus my phone calls, we have evidence that interest owners representing 99.96% of the State Com No. 2 and 90R wells, plus 100% of the State Com No. 1, 1A and 91 wells have received our 06-03-02 letter of notice regarding Dugan's application to consolidate the subject gas gathering systems.

When Dr. Callan responds to my phone calls or returns the "return receipt", I will forward to you.

Should you have questions, please let me know.

Sincerely,

John D. Ree

John D. Roe Engineering Manager

JDR:sh

Attachments

## INTEREST OWNERS DUGAN PRODUCTION'S STATE COM WELLS NO. 1, 1A & 91

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Well NamePoolState Com #1Blanco MesaverdeState Com #1ABlanco MesaverdeState Com #91Basin FR Coal	Location SESW 16, T-32/ SESE 16, T-32N SWSW 16, T-32	, R12W	<u>Spacing Unit</u> S/2 - 320A S/2 - 320A S/2 - 320A S/2 - 320A
	STATE COM #		<b>#</b> 91
Working Interest Not Not	Gross	<u>Net</u>	
Dugan Production Corp.	87.500000	72.8125	00
St. John's Operating #1, LP	12.500000	10.9375	00
Rovalty	0.000000	12.5000	00
Overriding Royalty Interest			
Ronald I. Albin	0.000000	0.0833	25
Energen Resources Corp.	0.000000	1.37500	00
EOG Resources	0.000000	1.3750	00
Francine Sue Gold	0.000000	0.0833	25
Rene Lippman	0.000000	0.0833	25
Rene Parmet	0.000000	0.1666	30
Jay Silverman	0.000000	0.0833	25
Benjamin Stern	0.000000	0.0833	30
Harold Stern	0.000000	0.1666	30
Steven Stern	0.000000	0.0833	30
Roxanne Tuerk	0.000000	0.1666	30
TOTAL WELL	100.000000	100.000	000
Addresses:			
Ronald I. Albin	Anna Davimat		
627 Sea Pine Way (D-2)	Rene Parmet 2409 Appaloosa	Circle 81	1
West Palm Beach, FL 33415	Sarasota, FL 34	240	1
West and Deach, TE 00410		240	
Bugan Production Corp. Needed	ay Silverman		
P. O. Box 420	899 Jeffery St. 1	11-1	
Farmington, NM 87499-0420	Boca Raton, FL		
	,		
Energen Resources Corp.	John's Opera		
605 Richard Arrington, Jr. Blvd. North	General Partner		
Birmingham, AL 35203-2707	16800 Greenspo Houston, TX 770		Drive, Suite 380-S
ECG Resources, Inc.	- · · · ·		
P. O. Box 4362	Benjamin Stern		
Houston, TX 77210-4362	27 Congress, Ap Nashua, NH 030		
Francine Sue Gold	/		
64 Westminster Road	Harold Stern		
Yorktown Heights, NY 10598	800 Bell Trace C Bloomington, IN		
Vene Lippman			
899 Jeffery Street 111-1 Boca Raton, FL 33487	jSteven Stern 226 Arrowhead C Johnstown, PA		50 . <b>.</b>
Mexico State Land Office		ſ	Addu
F O. Box 1148 Santa Fe, NM 87504-1148	Noxanne Tuerk ( 14700 N. Beckley Davie, FL 33325	y Square	-addres 5

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- Address is Good

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## INTEREST OWNERS DUGAN PRODUCTION'S STATE COM WELLS WELLS NO. 2, 90 & 90R

Well NamePoolState Com #2Blanco MesaverdeState Com #90Basin Fruitland CoalState Com #90RBasin Fruitland Coal	Location SWNE 16, T-3; SENE 16, T-32 NWNE 16, T-33	N. R12W		<u>Spacing Unit</u> N/2 - 320A N/2 - 320A N/2 - 320A N/2 - 320A	
				STATE COM	
Working Interest - Not Mender d	Gross	Net		Gross	Net
Dugan Production Corp.	50.000000	43.3750	00	87.500000	74.937500
Paul T. Griffin Trust	12.500000	10.9375	00	12.500000*	10.937500*
Williams Production Co.	37.500000	32.8125	00	0.000000	0.000000
<u>Royalty</u> State of New Mexico	0.000000	12.5000	00	0.000000	12.500000
Overriding Royalty Interest					
W.H. Atkins	0.000000	0.02636	57	0.000000	0.026381
Lewis T. Barringer, Jr.	0.000000	0.14062	25	0.000000	0.765600
-X- John W. Barringer	0.000000	0.14062	25	0.000000	0.765600
* ¥ JoAnne Callan	0.000000	0.0439	15	0.000000	0.043969
Megan Callan	0.000000	0.01171	19	0.000000	0.011725
Lynn Shaw	0.000000	0.01171	19	0.00000	0.011725
TOTAL WELL	100.000000	100.000	000	100.000000	100.000000

\*Interest owner elected to go non-consent and is being carried by Dugan Production during payout

## Addresses

W. H. Alkins 2209 N. Parkwood Harlingen, TX 78550

John W. Barringer 1054 Lynnwood Blvd. Nashville, TN 37215

Lewis T. Barringer, Jr. 192 Sayre Drive Princeton, NJ 08540

JoAnne Callan 1028 Santa Florencia Soiano Beach, CA 92075

> Megan Callan 3578 Seahorn Circle San Diego, CA 92130

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

Paul T. Griffin Trust Charles E. Griffin, Trustee 732 Bison Ave. Newport Beach, CA 92660 Lynn Shaw 1490 Memory Lane Kalispell, MT 59901-5108

UState of New Mexico P. O. Box 1148 Santa Fe, NM 87504-1148

Williams Production Co. P. O. Box 58900 Salt Lake City, UT 84158-0900

V = Return Prepipt Cand Received by Dugan Prod. + 15 Attaphod. Received 7 of 9 mailed \*- phone conversation 6/21/02 615-665-2863 -Confirmed m. Barringer had Repaired 6-3-02 Notice \*\* Phone Calls 6/20, 6/21+6/25/02 home - 858-481-1094 office - 858-457-3713 Left message on office Answer Marhine AS No Rosponse AS of 6/25/02

All RECEIPT Only: No Insurance Coverage Provided) LLCC (DM A LLD U S E 2.10 Postmark 1.50 Postmark Postmark	L RECE	6. CON EDP U S	Callan auta stael	
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