

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington District Office 6251 College Blvd. - Suite A Farmington, New Mexico 87402 www.blm.gov/nm



In Reply Refer to: NMNM078448X 3105 (F01100)

March 1, 2018

Dugan Production Corp. Attn: John Alexander P.O. Box 420 Farmington, NM 87499-0420

Dear Mr. Alexander:

The Dugan Production Corp. 2018 Plan of Development (POD) for the West Bist Lower Gallup Unit located in San Juan County, New Mexico is approved as of March 1, 2018. A POD is required to be filed yearly and not later than March 1 of each year. No extension of time will be granted unless an Unavoidable Delay where justified. Currently the West Bisti Lower Gallup Unit contains Federal, State and a small portion of Navajo Nation minerals.

It is noteworthy that Dugan in 2018 is planning on selling the Navajo Nation portion of the unit to Navajo Nation Oil and Gas Company.

If you have questions regarding the above unit, please contact me at (505) 564-7740 or jhewitt@blm.gov.

Sincerely,

Richard Fields,

Farmington Field Manger

cc: Commissioner of Public Lands, Santa Fe, NM (SLO)
New Mexico Oil Conservation Division (NMOCD)