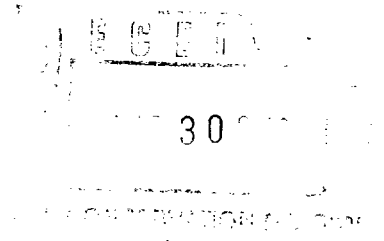


dugan production corp.



March 28, 2000

*MS*

Ms. Florene Davidson  
New Mexico Oil Conservation Division  
2040 S. Pacheco Street  
Santa Fe, NM 87505

Re: Request for Continuance of Case Numbers 12364 and 12365

Dear Ms. Davidson:

Dugan Production Corp. requests a continuance of the above cases so that surface owners may be properly notified of the hearing date. In speaking to Lyn Hebert, I understand that these may be set for hearing on April 20, 2000. If this is not the case, please notify me.

Sincerely Yours,

John Alexander  
Vice President