



April 10, 2000

Evko Development Co.
4710 Cabrillo Street
San Francisco, CA 94121

RE: Dugan Production Corp.'s Application dated 3/29/2000
Surface commingling and off-lease measurement - San Juan County, NM

Dear Sirs:

We recently sent you a copy of the above referenced application based on interest owner figures we had at the time. Upon further investigation, we have discovered that your interest does not lie in the area in question. We appreciated your understanding in this situation and have removed your name from the Interest Owners List for the proposed Tabor Gathering System.

We apologize for any inconvenience or confusion, and should you have any questions, need additional information or have any concerns, please let me know.

Sincerely,

A handwritten signature in cursive script that reads 'John D. Roe'.

John D. Roe
Engineering Manager

cc: NMOCD - Aztec & Santa Fe