

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLSDo not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals**SUBMIT IN TRIPLICATE**

| | |
|--|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | 5. Lease Designation and Serial No. NM 10089 |
| 2. Name of Operator Dugan Production Corp. | 6. If Indian, Allotted or Tribe Name |
| 3. Address and Telephone No. P.O. Box 420, Farmington, NM 87499 (505) 325-1821 | 7. If Unit or CA, Agreement Designation |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 660' FSL & 660' FWL Sec. 9, T24N, R9W, NMPM | 8. Well Name and No. Mary-Anne #1 |
| | 9. API Well No. 30 045 05121 |
| | 10. Field and Pool, or Exploratory Area Bisti Lower Gallup |
| | 11. County or Parish, State San Juan, NM |

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION |
|--|--|
| <input checked="" type="checkbox"/> Notice of Intent | <input checked="" type="checkbox"/> Abandonment |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Plugging Back |
| | <input type="checkbox"/> Casing Repair |
| | <input type="checkbox"/> Altering Casing |
| | <input type="checkbox"/> Other |
| | <input type="checkbox"/> Change of Plans |
| | <input type="checkbox"/> New Construction |
| | <input type="checkbox"/> Non-Routine Fracturing |
| | <input type="checkbox"/> Water Shut-Off |
| | <input type="checkbox"/> Conversion to Injection |
| | <input type="checkbox"/> Dispose Water |

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Plan to plug well as follows:

Pump Class B cement plug down 2-7/8" production casing to cover Gallup top at 4900'.

Perforate 50' below Mesaverde top (2070'). 2500'

Spot adequate volume of cement to cover Mesaverde top inside and outside 2-7/8" production casing in 7-7/8" hole.

Perforate 50' below Pictured Cliffs top (1650').

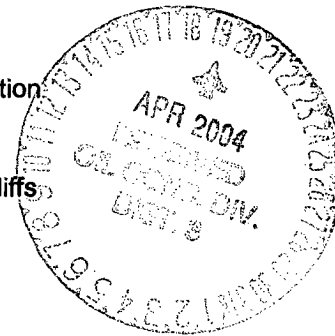
Spot adequate volume of cement inside and outside production casing to cover Pictured Cliffs and Fruitland top at 1330'.

Perforate 50' below surface casing (309').

Pump cement to circulate cement to surface. Leave production casing and 2-7/8" x 8-5/8" annulus full of cement.

Set dry hole marker.

plug Ojo Alamo 1108' - 750'



14. I hereby certify that the foregoing is true and correct

Signed

John Alexander

Vice President

Date

3/24/2004

(This space for Federal or State office use)

Approved by **Original Signed: Stephen Mason**

Title

Date

APR 13 2004

Conditions of approval, if any:

Attachment to notice of

Re: Permanent Abandonment

Intention to Abandon:

Well: 1 Mary Anne

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.

3. The following modifications to your plugging program are to be made:

- a) Bring the top of the Gallup plug to 4441' to cover the 2 7/8" casing shoe.
- b) Place the Mesaverde plug from 2707' - 2450' to cover the 5 1/2" casing stub.
- c) Place the Pictured Cliffs/Fruitland plug from 1700' - 1270' inside and outside the 2 7/8" casing.
- d) Place the Kirtland/Ojo Alamo plug from 1108' - 750' inside and outside the 2 7/8" casing.
- e) Place the Surface plug from 359' to surface inside and outside the 2 7/8" casing.

You are also required to place cement excesses per 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.