

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM12374
2. Name of Operator DUGAN PRODUCTION CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address P. O. BOX 420 FARMINGTON, NM 874990420		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 505-325-1821		8. Well Name and No. NOVEMBER 24 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 27 T24N R9W NESE Tract H LUJAN 1680FSL 0810FEL 36.28241 N Lat, 107.77016 W Lon		9. API Well No. COM 30-045-25295-00-S1
		10. Field and Pool, or Exploratory BISTI
		11. County or Parish, and State SAN JUAN COUNTY, NM

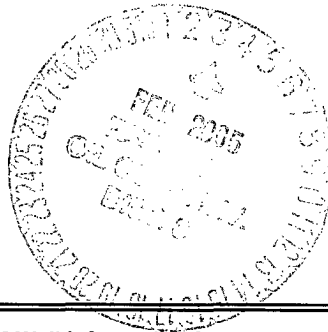
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Plugged well as follows:

Set cast iron bridge plug at 5036'.
Spot 14 cu. ft. Class B cement from 5036' to 4890' Gallup plug.
Perforate production casing at 2462'.
Set cement retainer at 2421'.
Pumped 50 cu. ft. Class B through retainer.
Spotted 14 cu. ft. Class B on top of retainer.
Mesaverde plug 2462' to 2260'.
Spot 15 cu. ft. Class B plug inside casing 1659' to 1490' Pictured Cliffs plug.
Spot 15 cu. ft. Class B plug inside casing 1404' to 1230' Fruitland plug.
Spot 35 cu. ft. Class B plug 1117' to 730' Ojo Alamo plug.

1-31-05
14. I hereby certify that the foregoing is true and correct.

Electronic Submission #53653 verified by the BLM Well Information System
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by STEVE MASON on 02/02/2005 (05SXM0128SE)

Name (Printed/Typed) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 02/02/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	STEPHEN MASON Title PETROLEUM ENGINEER	Date 02/02/2005
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office Farmington

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

NMOC

Additional data for EC transaction #53653 that would not fit on the form

32. Additional remarks, continued

Spot 30 cu. ft. Class B plug inside 325' to surface.

Set dry hole marker.

Job complete 1/31/2005. BLM witnessed procedure.