

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO 1004-0135
Expires July 31, 2010

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.

RECEIVED
AUG 01 2011

Lease Serial No
NMNM048989

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

Bureau of Land Management
Farmington Field Office

7. If Unit or CA/Agreement, Name and/or No

1 Type of Well
 Oil Well Gas Well Other COAL BED METHANE

8 Well Name and No
MANCINI 8

2 Name of Operator Contact JOHN C ALEXANDER
DUGAN PRODUCTION CORPORATION Email johncalexander@duganproduction.com

9. API Well No
30-045-34764-00-X1

3a Address FARMINGTON, NM 87499
3b Phone No (include area code) Ph: 505-325-1821

10. Field and Pool, or Exploratory
BASIN FRUITLAND COAL

4 Location of Well (Footage, Sec, T, R, M, or Survey Description)
Sec 10 T22N R8W NWNE 1300FNL 1650FEL
36.157950 N Lat, 107.665760 W Lon

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 checked="" type="checkbox"/> Other Drilling Operations
<i>BS</i>	<input type="checkbox"/> Change Plans	<input 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 recomplete 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 recompletion 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.)

Spud 12-1/4" hole on 7/25/11. Drilled to 133'. Run 8-5/8" 24# J-55 csg. Land @ 128' float collar @ 84'. Cement w/10 bbls water, 112 sx Type III cement w/2% BWOC CaCl2 & 1/4# celloflake/sx + 53.6% fresh water. Displaced w/6 bbls water. Circulate 8 bbls cement to surface. Pressure test csg to 800 psi for 30 mins, held. Tested pipe rams, blind rams, choke manifold, Kelly valve to 250 psi for 5 mins, held. Tested to 800 psi for 30 mins, held. ✓

RCVD AUG 4 '11
DIL CONS. DIV.
DIST. 3

14 Thereby certify that the foregoing is true and correct

**Electronic Submission #114166 verified by the BLM Well Information System
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by TROY SALYERS on 08/01/2011 (11TLS0215SE)**

Name (Printed/Typed) JOHN C ALEXANDER	Title VICE-PRESIDENT
Signature (Electronic Submission)	Date 07/29/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	TROY SALYERS Title PETROLEUM ENGINEER	Date 08/01/2011
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 **

NMOCD