

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.
Bureau of Land Management

AUG 10 2011

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1 Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other INJECTION		5 Lease Serial No NMNM78060
2 Name of Operator DUGAN PRODUCTION CORP Contact JOHN C ALEXANDER E-Mail johncalexander@duganproduction.com		6 If Indian, Allottee or Tribe Name
3a Address P O BOX 420 FARMINGTON, NM 87499-0420	3b Phone No (include area code) Ph. 505-325-1821	7 If Unit or CA/Agreement, Name and/or No
4 Location of Well (Footage, Sec, T, R, M, or Survey Description) Sec 26 T24N R10W Mer NMP NWSE 2200FSL 1780FEL 36.283690 N Lat, 107.863010 W Lon		8 Well Name and No ST MORITZ SWD 2
		9 API Well No 30-045-35281
		10 Field and Pool, or Exploratory ENTRADA SWD
		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 checked="" 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 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original APD
	<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.)

Change surface casing size from 8-5/8" 24# to 9-5/8" 36# in 12-1/4" hole. Depth for surface casing unchanged. Cement type will not change and volume will be adjusted for hole size.

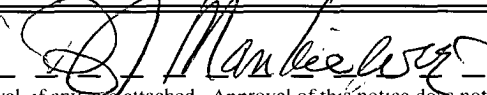
Change long string size from 5-1/2" to 5,000' 7"-23# J-55 and 2,260' 26# J-55 in 8-3/4" hole. The stage tool location will not change. Cement type will not change and the volume will be adjusted to reflect the hole configuration.

RCVD SEP 6 '11

OIL CONS. DIV.
DIST. 3

14 I hereby certify that the foregoing is true and correct Electronic Submission #114850 verified by the BLM Well Information System For DUGAN PRODUCTION CORP, sent to the Farmington	
Name (Printed/Typed) JOHN C ALEXANDER	Title VICE-PRESIDENT
Signature (Electronic Submission)	Date 08/09/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By 	Title AFM	Date 9/6/11
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 FFO	

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.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

NMOCD