

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

| | | | | | |
|---|--|--|--|--------------------------------------|--|
| 1a. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input checked="" type="checkbox"/> Other: INJ | | | 5. Lease Serial No NMNM90477 | | |
| b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr Other _____ | | | 6. If Indian, Allottee or Tribe Name | | |
| 2. Name of Operator DUGAN PRODUCTION CORPORATION | | | 8. Lease Name and Well No MORRISON SWD 2 | | |
| 3. Address FARMINGTON, NM 87499 | | | 9. API Well No. 30-045-33684-00-X1 | | |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface NENE 1350FNL 365FEL 36.143353 N Lat, 107.732970 W Lon At top prod interval reported below NENE 1350FNL 365FEL 36 143353 N Lat, 107.732970 W Lon At total depth NENE 1350FNL 365FEL 36.143353 N Lat, 107.732970 W Lon | | | 10. Field and Pool, or Exploratory SWD ENTRADA | | |
| 14. Date Spudded 09/18/2011 | | | 15. Date T.D. Reached 09/25/2011 | | |
| 16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 09/12/2012 | | | 17. Elevations (DF, KB, RT, GL)* 6598 GL | | |
| 18. Total Depth: MD 6523 TVD 6523 | | 19. Plug Back T.D. MD 6420 TVD 6420 | | 20. Depth Bridge Plug Set: MD TVD | |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) GR-CNL-CCL&CBL | | | 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) | | |

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 12.250 | 9.625 J-55 | 36.0 | | 378 | | 200 | | | |
| 8.750 | 7.000 J-55 | 26.0 | | 5029 | | 595 | | | |
| 8.750 | 7.000 J-55 | 23.0 | | 6510 | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|-------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 3.500 | 6198 | 6151 | | | | | | |

25. Producing Intervals

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf Status |
|------------|------|--------|---------------------|------|-----------|-------------|
| A) ENTRADA | 6254 | 6386 | 6254 TO 6386 | | 132 | |
| B) | | | | | | |
| C) | | | | | | |
| D) | | | | | | |

27. Acid, Fracture, Treatment, Cement Squeeze, Etc

| Depth Interval | Amount and Type of Material |
|----------------|--------------------------------------|
| 6254 TO 6386 | 2000 GALS 15% HCL W/100 BALL SEALERS |
| | |
| | |
| | |

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr API | Gas Gravity | Production Method |
|---------------------|--------------------|--------------|-----------------|---------|---------|-----------|----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press Flwg SI | Csg Press | 24 Hr Rate | Oil BBL | Gas MCF | Water BBL | Gas Oil Ratio | Well Status | |
| | | | → | | | | | | |

28a. Production - Interval B

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr API | Gas Gravity | Production Method |
|---------------------|--------------------|--------------|-----------------|---------|---------|-----------|----------------------|-------------|-------------------|
| | | | → | | | | | | |
| Choke Size | Tbg. Press Flwg SI | Csg Press | 24 Hr Rate | Oil BBL | Gas MCF | Water BBL | Gas Oil Ratio | Well Status | |
| | | | → | | | | | | |

ACCEPTED FOR RECORD

OCT 15 2012

FARMINGTON FIELD OFFICE

BY

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #154563 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

NMOCDA

28b. Production - Interval C

| | | | | | | | | | |
|---------------------|---------------------------|--------------|----------------------|---------|---------|-----------|-------------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr API | Gas Gravity | Production Method |
| Choke Size | Thg. Press Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas Oil Ratio | Well Status | |

28c. Production - Interval D

| | | | | | | | | | |
|---------------------|---------------------------|--------------|----------------------|---------|---------|-----------|-------------------------|-------------|-------------------|
| Date First Produced | Test Date | Hours Tested | Test Production → | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr API | Gas Gravity | Production Method |
| Choke Size | Thg. Press Flwg. SI | Csg. Press. | 24 Hr. Rate → | Oil BBL | Gas MCF | Water BBL | Gas Oil Ratio | Well Status | |

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

UNKNOWN

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top |
|-----------|-----|--------|------------------------------|-----------------|-------------|
| | | | | | Meas. Depth |
| | | | | FRUITLAND | 400 |
| | | | | PICTURED CLIFFS | 666 |
| | | | | LEWIS | 768 |
| | | | | POINT LOOKOUT | 3009 |

32. Additional remarks (include plugging procedure)

ADDITIONAL TOPS CONTINUED FROM ABOVE.

MANCOS - 3134'
GALLUP - 3896'
GREENHORN - 4828'
GRANEROS - 4883'
DAKOTA - 4928'
MORRISON - 5218'
BLUFF - 5587'

33. Circle enclosed attachments.

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #154563 Verified by the BLM Well Information System.
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by JIM LOVATO on 10/15/2012 (13JXL0041SE)

Name (please print) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 10/12/2012

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

** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED **

Additional data for transaction #154563 that would not fit on the form

32. Additional remarks, continued

TODLITO - 6158'
ENTRADA - 6254'
CHINLE - 6386'