

Submit To Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Avenue, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-105
 Revised June 10, 2003

WELL API NO.
 30-045-32587

5. Indicate Type of Lease
 STATE FEE
 State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
 OIL WELL GAS WELL DRY OTHER
 b. Type of Completion:
 NEW WORK DEEPEN PLUG DIFF.
 WELL OVER BACK RESERVE OTHER

7. Lease Name or Unit Agreement Name
 Federal I Com

2. Name of Operator
 Dugan Production Corp.

8. Well No.
 103

3. Address of Operator
 P. O. Box 420, Farmington, NM 87499-0420 (505)325-1821

9. Pool name or Wildcat
 Basin Fruitland Coal

4. Well Location
 Unit Letter E : 1775 Feet From the North Line and 10 Feet From the West Line
 Section 12 Township 29N Range 14W NMPM San Juan County

10. Date Spudded 3-11-05
 11. Date T.D. Reached 3-13-05
 12. Date Compl. (Ready to Prod.) 7-26-05
 13. Elevations (DF& RKB, RT, GR, etc.) 5473'
 14. Elev. Casinghead

15. Total Depth 1300'
 16. Plug Back T.D. 1230'
 17. If Multiple Compl. How Many Zones?
 18. Intervals Drilled By TD
 Rotary Tools Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name
 976'-1106' (Fruitland Coal)
 20. Was Directional Survey Made no

21. Type Electric and Other Logs Run
 GR-CCL-CNL
 22. Was Well Cored no

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24# J-55	130'	12-1/4"	100 sx Class "B" neat w/2% CaCl ₂	w/1/4# celloflake/sx
5-1/2"	15.5# J-55	1280'	7"	60 sx 3% Lodense w/1/4#	celloflake/sx. Tail w/50 sx
				Class B neat w/1/4# celloflake/sx,	Total 228 cu ft.

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	1125'	NA

26. Perforation record (interval, size, and number)	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
976'-986', 1014'-1019', 1039'-1042', 1085'-1093' & 1099'-1106' w/4 spf (total 132 holes)	976'-1106'	420 gals 15% HCL; 70,079 gals AquaSafe X-20 gel; 133,200# 20/40 Brady sand

28. PRODUCTION

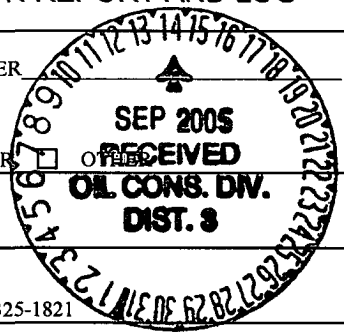
Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)			Well Status (Prod. or Shut-in)		
NA		Flowing			Shut-in		
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
7/28/05	24 hrs	N/A		0	10	78	
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)	
20 psig	175 psig		0	10	78		

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
 vented - to be sold
 Test Witnessed By

30. List Attachments

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature Darrin Steed Printed Name Darrin Steed Title Petroleum Engineer Date September 9, 2005
 E-mail Address: darrinsteed@duganproduction.com



INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or opened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical this shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in duplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"
Salt	T. Strawn	T. Kirtland surface	T. Penn. "C"
Salt	T. Atoka	T. Pictured Cliffs 1107'	T. Penn. "D"
Yates	T. Miss	T. Cliff House	T. Leadville
7 Rivers	T. Devonian	T. Menefee	T. Madison
Queen	T. Silurian	T. Point Lookout	T. Elbert
Grayburg	T. Montoya	T. Mancos	T. McCracken
San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
Glorieta	T. McKee	Base Greenhorn	T. Granite
Paddock	T. Ellenburger	T. Dakota	T. Fruitland 688'
Blinebry	T. Gr. Wash	T. Morrison	T.
Tubb	T. Delaware Sand	T. Todilto	T.
Drinkard	T. Bone Springs	T. Entrada	T.
Abo	T.	T. Wingate	T.
Wolfcamp	T.	T. Chinle	T.
Penn	T.	T. Permian	T.
Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

1, from.....to..... No. 3, from.....to.....
 2, from.....to..... No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

1, from.....to..... feet.....
 2, from.....to..... feet.....
 3, from.....to..... feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet.	Lithology