

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.***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. NMNM2337
2. Name of Operator DUGAN PRODUCTION CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address FARMINGTON, NM 87499		7. If Unit or C/A/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 505-325-1821		8. Well Name and No. CHACO 3
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T24N R9W SENW 1700FNL 1450FWL 36.345810 N Lat, 107.744247 W Lon		9. API Well No. 30-045-22472-00-S1
		10. Field and Pool, or Exploratory WILDCAT
		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.)

- 1) Set CR @ 5143'. Spot plug above retainer w/20 sks (23.6 cu ft) Class B neat (yield 1.18 cu ft/sk). WOC. Ran CBL. Tag top of cement at 4911' (4911'-5143').
- 2) Perforate @ 4704'. Set CR @ 4654'. Spot plug outside casing w/114 sks (134.5 cu ft) Class B neat. Spot plug above retainer w/34 sks (40.12 cu ft) Class B neat. WOC. Tag top of cement w/tubing @ 4189' (4189'-4704').
- 3) Spot inside plug at 2600' w/24 sks Class B (28.32 cu ft) with 2% CaCl<sub>2</sub>. WOC. Tag top of cement w/tbg @ 2305' (2305'-2600').
- 4) Perforate @ 1790'. Set CR @ 1740'. Spot plug outside casing w/39 sks Class B (46.02 cu ft). Spot plug above retainer w/16 sks (18.9 cu ft) Class B neat. WOC. Tag top of cement @ 1613' (1613'-1790').
- 5) Perforate @ 1509'. Set CR @ 1459'. Spot plug outside casing w/38 sks Class B + 2% CaCl<sub>2</sub> (44.8 cu ft). Spot plug above retainer w/16 sks Class B + 2% CaCl<sub>2</sub> (18.9 cu ft). WOC. Tag top of

RCVD FEB 6 '14  
OIL CONS. DIV.  
DIST. 3

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #234487 verified by the BLM Well Information System For DUGAN PRODUCTION CORPORATION, sent to the Farmington Committed to AFMSS for processing by STEVE MASON on 02/05/2014 (13SXM0373SE)</b>	
Name (Printed/Typed) ALIPH REENA	Title PRODUCTION ENGINEER
Signature (Electronic Submission)	Date 02/04/2014

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <b>ACCEPTED</b>	STEPHEN MASON Title PETROLEUM ENGINEER	Date 02/05/2014
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 \*\***

NMOCDA

**Additional data for EC transaction #234487 that would not fit on the form**

**32. Additional remarks, continued**

cement at 1355' (1355'-1509').

6) Perforate @ 1206'. Set CR @ 1156'. Pump 145 sks Class B neat (171.1 cu ft) outside casing.

Spot 35 sks (41.3 cu ft) above retainer. WOC. Tag top of cement @ 740' (740'-1206').

7) Perforate @ 280'. Circulate to surface through casing. Pump 130 sks Class B (153.4 cu ft).

Circulated cement through bradenhead. WOC 2 hours.

8) Cut wellhead off. Top of cement at surface in the annulus, 20' below surface in the 4-1/2" casing. Topped off cement w/1" poly pipe. Install dry hole marker.

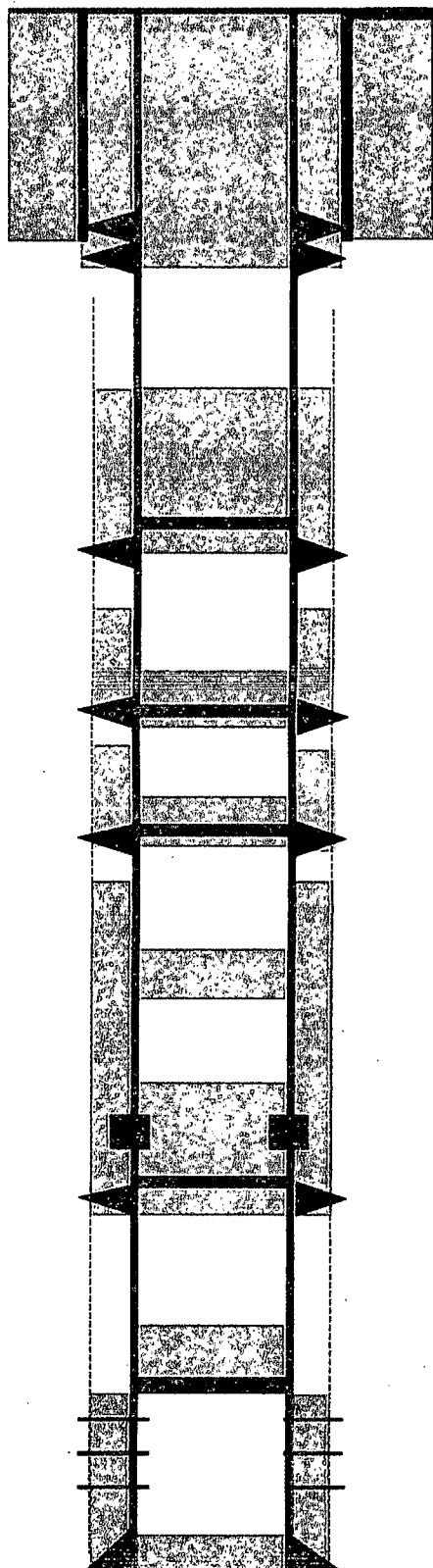
**P & A Schematic**

Chaco # 003, Dakota

300-45-22472

1700 FNL 1450 FWL

F S1 T24N R9W



8 5/8" J-55 24# casing @ 230'

Perforate @ 280'. Spot plug from 280' to surface through BH w/ 130 sks (153.4 cu.ft) Class B. TOC @ surface. (0-280')

Perf at 1206'. CR @ 1156'. 145 sks Class B (171.1 cu.ft) outside casing, 35 sks Class B (41.3 cu.ft) inside casing. Tag Ojo Alamo/Kirtland plug at 740'. (740'-1206').

Perf at 1509'. CR @ 1459'. 38 sks Class B neat (44.8 cu.ft) outside casing, 16 sks Class B (18.9 cu.ft) inside casing. Tag Fruitland plug at 1355'. (1355'-1509').

Perf at 1790'. CR @ 1740'. 39 sks Class B neat (46.02 cu.ft) outside casing, 16 sks Class B (18.9 cu.ft) inside casing. Tag PC plug at 1613'. (1613'-1790').

24 sks (28.32 cu.ft) Class B + 2% CaCl<sub>2</sub>. Tag Mesaverde Plug at 2305'. (2305'-2600').

Perforate at 4704'. CR @ 4654'. 144 sks Class B cement (134.5 cu.ft) outside casing, 34 sks (40.1 cu.ft) inside casing. Mancos plug tagged @ 4189'. (4189'-4704').

CR @ 5143'. Set Inside Plug with 20 sks (23.6 cu.ft) Class B. Tag at 4911'. (4911'-5143').

Gallup Perforated @ 5188' - 6168'

4 1/2" 10.5# casing @ 6379' RKB.