

SUBMIT IN DUPLICATE:

(Other instructions on
reverse side)

Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1. a. TYPE OF WELL:

OIL
WELL ☐GAS
WELL ☒2006 NOV 17 PM 4 57
DRY ☐OTHER ☐

b. TYPE OF COMPLETION:

NEW

Well ☒

WORK

OVER ☐

DEEP-

EN ☐

PLUG

BACK ☐

DIFF.

CENTR. ☐OTHER ☐

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface 1670' FSL & 1020' FWL (NW/4 SW/4)

At top prod. interval reported below

same

At total depth

same

14. PERMIT NO.

DATE ISSUED

12. COUNTY OR PARISH

13. STATE

San Juan

NM

15. DATE SPUNDED

7/20/2006

16. DATE T.D. REACHED

7/27/2006

17. DATE COMPL.

(Ready to prod.)

10/13/2006

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

5526' GL

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

1430'

21. PLUG BACK T.D., MD & TVD

1374'

22. IF MULTIPLE COMPL.,

HOW MANY*

2 - DHC

23. INTERVALS

DRILLED BY

ROTARY TOOLS

TD

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)*

1080'-1206' (Fruitland Coal) - Downhole commingled w/Pictured Cliffs

25. WAS DIRECTIONAL SURVEY MADE

no

26. TYPE ELECTRIC AND OTHER LOGS RUN

GR-CCL-CNL

27. WAS WELL CORED

no

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

| CASING SIZE/GRADE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | TOP OF CEMENT, CEMENTING RECORD | AMOUNT PULLED |
|-------------------|-----------------|----------------|-----------|---|---------------|
| 8-5/8" J-55 | 24# | 131' | 12 1/4" | 100 sx Type 5 cement w/3% CaCl2 w/1/4# celloflake/sx | |
| 5-1/2" J-55 | 15.5# | 1415' | 7" | 85 sx Type 5 cement w/3# Gilsonite/sx & 1/4# celloflake/sx. Tail w/50 sx Type | |
| | | | | 5 cement w/3# Gilsonite/sx & 1/4# celloflake/sx. | |

29. LINER RECORD

| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SCREEN (MD) | SIZE | DEPTH SET (MD) | PACKER SBT (MD) |
|------|----------|-------------|---------------|-------------|--------|----------------|-----------------|
| | | | | | 2-3/8" | 1257' | N/A |

31. PERFORATION RECORD (Interval, size and number)

1080'-87'; 1123'-26'; 1184'-96'; 1200'-06' w/4 spf

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)

1080'-1214'

AMOUNT AND KIND OF MATERIAL USED

27 bbls 15% HCL; 160,580# 20/40 Brady
sand; 2,155 bbls AquaSafe X-20 gel

33.* PRODUCTION

| | | | | | | | | |
|-----------------------|-----------------|--|------------------------|------------|--------------|--------------|------------------------------------|-----------------|
| DATE FIRST PRODUCTION | | PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) | | | | | WELL STATUS (Producing or shut in) | |
| N/A | | Flowing | | | | | shut-in | |
| DATE OF TEST | HOURS TESTED | CHOKE SIZE | PROD'N FOR TEST PERIOD | OIL - BBL. | GAS - MCF. | WATER - BBL. | | GAS - OIL RATIO |
| | | | → | | | | | NA |
| FLOW. TUBING PRESS. | CASING PRESSURE | CALCULATED 24 - HOUR RATE | OIL - BBL. | GAS - MCF. | WATER - BBL. | | OIL GRAVITY - API (CORR.) | |
| | | → | | | | | | |

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

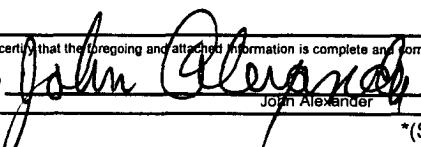
Vented - to be sold - a sundry notice of well test will be submitted in future

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED



Title

Vice-President

Date

4/14/2006 FOR RECORD

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes 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.

NMOCD B

FARMINGTON FIELD OFFICE
BY TC salyers

GEOLOGIC MARKERS

20/12/55