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(Other instructions on reverse side)

Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAY 09 2008

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1 a TYPE OF WELL: OIL WELL GAS WELL 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 1865' FSL & 660' FEL (NE/4 SE/4)

At top prod. interval reported below same

At total depth same

5 LEASE DESIGNATION AND SERIAL NO
NM-78060
6 IF INDIAN, ALLOTTEE OR TRIBE NAME
RCUD MAY 6 '08
7 UNIT AGREEMENT NAME
OIL CONS. DIV.
8 FARM OR LEASE NAME, WELL NO
DIST. 3
9 API Well No
30-045-33479
10 FIELD AND POOL, OR WILDCAT
Basin Fruitland Coal
11 SEC., T., R., M. OR BLOCK AND SURVEY OR AREA
Unit I
Sec. 30, T24N, R10W
12 COUNTY OR PARISH
San Juan
13 STATE
NM

15 DATE SPUNNED 9/25/2007 16 DATE T.D. REACHED 9/27/2007 17. DATE COMPL. (Ready to prod.) 4/24/2008 18 ELEVATIONS (OF, RKB, RT, GR, ETC)* 6513' GL 19. ELEV CASINGHEAD

20. TOTAL DEPTH, MD & TVD 1190' 21 PLUG BACK T.D., MD & TVD 1150' 22. IF MULTIPLE COMPL. HOW MANY* 23 INTERVALS DRILLED BY TD 24 PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)* 949'-970' (Fruitland Coal) 25. WAS DIRECTIONAL SURVEY MADE no

26 TYPE ELECTRIC AND OTHER LOGS RUN GR-CNL-CCL 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#	129'	12-1/4"	95 sx Type 5 cement w/2% CaCl2 & 1/4# celloflake/sx	
5-1/2" J-55	15.5#	1186'	7"	60 sx Type 5 cement w/2% Lodense, 2# PhenoSeal & 1/4# celloflake/sx.	
				Tail w/50 sx Type 5 cement w/2# PhenoSeal & 1/4# celloflake/sx	

29 LINER RECORD 30 TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SBT (MD)
					2-3/8"	1044'	N/A

31 PERFORATION RECORD (Interval, size and number) 32 ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC

PERFORATION	AMOUNT AND KIND OF MATERIAL USED
949'-970' w/4 spf (total 21', 84 holes)	49,000 gals crosslinked gel, 79,250# 20/40 sand

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
4/29/2008	24	2"		0	25	35	
FLOW TUBING PRESS	CASING PRESSURE	CALCULATED 24 - HOUR RATE	OIL - BBL	GAS - MCF	WATER - BBL	OIL GRAVITY - API (CORR)	
1	60		0	25	35		

34 DISPOSITION OF GAS (Sold, used for fuel, vented, etc) Vented - to be sold 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 John Alexander Title Vice-President Date MAY 08 2008

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

ACCEPTED FOR RECORD

FARMINGTON FIELD OFFICE

NMOCD

37 SUMMARY OF POROUS ZONES (Show all important zones of porosity and contents thereof: cored intervals; and all drill-stem, tests, including depth interval tested on used, time tool open, flowing and shut-in pressures, and recoveries).

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GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC	NAME	TOP	
					MEAS. DEPTH	TRUE VERT DEPTH
				Ojo Alamo	63'	
				Kirtland	128'	
				Fruitland	638'	
				Pictured Cliffs	973'	
				Total Depth	1190'	