

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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APR 8 2009

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT -" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

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

Location of Well (Footage, Sec., T., R., M., or Survey Description)

950' FNL & 1750' FWL (NE/4 NW/4)  
Unit C, Sec. 26, T22N, R8W, NMPM

5. Lease Designation and Serial No

NM-90472

6. If Indian, Allotted or Tribe Name

RCVD MAY 8 '09

7. If Unit or CA, Agreement Designation

OIL CONS. DIV.

8. Well Name and No.

Dorsey Com #90 DIST. 3

9. API Well No.

30 045 33861

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

11. County or Parish, State

San Juan, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent  
☐ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☒ Other Suspend completion operations  
☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Due to current infrastructure and economic constraints, the operator requests approval to suspend completion operations indefinitely on the Dorsey Com #90.

The Dorsey Com #90 is tied into the Big Band Gathering System. This infrastructure is insufficient to handle current production volumes of produced water. Construction will begin in two weeks on a water transfer station. This expansion will create additional room for water transportation from new wells to be added to the system.

Once the expansion project is finished and improvements in the economy occur, completion operations (fracture stimulations, installation of production facilities, pipeline construction, road crowning and ditching and re-contouring and re-seeding of disturbed areas) will resume.

**THIS APPROVAL EXPIRES MAY 15 2010**

14. I hereby certify that the foregoing is true and correct

Signed

*Kurt Fagrelus*  
Kurt Fagrelus

Title

Vice-President, Exploration

Date

4/29/2009

(This space for Federal or State office use)

Original Signed: Stephen Mason

Approved by

Title

Date

MAY 9 2009

Conditions of approval, if any: