

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.5. Lease Serial No.
NOG090217546. If Indian, Allottee or Tribe Name
EASTERN NAVAJO

7. If Unit or CA/Agreement, Name and/or No

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other. COAL BED METHANE8. Well Name and No
MARTINEZ BEGAY COM 2

2. Name of Operator

DUGAN PRODUCTION CORPORATION

Contact: JOHN C ALEXANDER

Email: johncalexander@duganproduction.com

9. API Well No.
30-045-34923-00-X1

3a. Address

P. O. BOX 420
FARMINGTON, NM 874990420

3b. Phone No. (include area code)

Ph: 505-325-1821

10. Field and Pool, or Exploratory
BASIN FRUITLAND COAL

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

Sec 34 T24N R10W SESW 895FSL 1330FWL
36.26540 N Lat, 107.88804 W Lon

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

☐ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other
Drilling Operations

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 recompleting 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 recompleting 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.)

Drill to TD @ 1280' on 7/13/09. Run 5-1/2" 15.5# J-55 csg in 7" hole. Land @ 1268', float collar @ 1228'. Cement w/70 sx Premium Lite FM 3% CaCl₂, 1/4# celloflake, 8% Bentonite & .4% Sodium Metasilicate. Tail w/50 sx Type III cement 1#/sx CaCl₂ & 1/4# celloflake/sx (218 cu ft total slurry). Displace w/29.5 bbls water. Circulate 4 bbls cement. Wayne Smith Drilling released on 7/14/09. Pressure test will be reported on completion sundry. ✓

RCVD JUL 30 '09
OIL CONS. DIV.
DIST. 3

ACCEPTED FOR RECORD

JUL 26 2009

FARMINGTON FIELD OFFICE
BY T. Salyers

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

Electronic Submission #72362 verified by the BLM Well Information System
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by TROY SALYERS on 07/28/2009 (09TS0001SE)

Name (Printed/Typed) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 07/21/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

ACCEPTED

(BLM Approver Not Specified)

Title

Date 07/28/2009

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 **

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