Form 3160-5 (August 2007)

## DEPAI BURE

| UNITED STATES              | FORM APPROVED                    |  |  |
|----------------------------|----------------------------------|--|--|
| TMENT OF THE INTERIOR      | OMB NO. 1004-0135                |  |  |
| AU OF LAND MANAGEMENT      | Expires July 31, 2010            |  |  |
| TICES AND REPORTS ON WELLS | 5. Lease Serial No<br>NMNM048989 |  |  |

| SUNDRY          | NOTICES AND REPORTS ON WELLS                    |
|-----------------|---|
| Do not use this | s form for proposals to drill or to re-enter an |
| abandonod wol   | I lica form 3160-3 (ADD) for such proposals     |

| 5 00115111  | TO HOLO THE                             |  |                            |  |  |                  |  |
|---|---|--|----------------------------|--|--|------------------|--|
| 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. |   |  | 6                          | 6 If Indian, Allottee or Tribe Name  7. If Unit or CA/Agreement, Name and/or No. |  |                  |  |
|   |   |  | 7.                         |  |  |                  |  |
| l Type of Well  |   |  |                            |  | 8. Well Name and No. MANCINI 7                     |                  |  |
| Oil Well Gas Well Other COAL BED METHANE  |   |  |                            |  |  |                  |  |
| 2 Name of Operator Contact: KURT FAGRELIUS DUGAN PRODUCTION CORPORATION Kagrelius@duganproduction.com   |   |  |                            |  | 9 API Well No.<br>30-045-34760-00-X1               |                  |  |
| 3a Address  | Ph: 505.32                              | (include area code<br>5.1821 Ext: 43     | ) 10                       |  | Field and Pool, or Exploratory ASIN FRUITLAND COAL |                  |  |
| FARMINGTON, NM 87499  | 7.4613                                  |  |                            |  |  |                  |  |
| 4. Location of Well (Footage, Sec., T., R, M, or Survey Description)  |   |  |                            | 11   | 11. County or Parish, and State                    |                  |  |
| Sec 10 T22N R8W SESE 12<br>36.15031 N Lat, 107.66350 V  |   |  |                            | SAN JUAN COUNTY, NM  |  |                  |  |
| 12. CHECK APP   | ROPRIATE BOX(ES)                        | TO INDICATE                              | NATURE OF N                | NOTICE, REPO   | RT, OR OTHER                                       | R DATA           |  |
| TYPE OF SUBMISSION  | SSION TYPE OF ACTION                    |  |                            |  |  |                  |  |
| - Notice of Intent  | Acidize                                 | □ Dee                                    | pen                        | ☐ Production (   | Start/Resume)                                      | ☐ Water Shut-Off |  |
| Notice of Intent  ■ Notice of Intent  | of Intent  Alter Casing  Fracture Treat |  | cture Treat                | Reclamation  | l  | ☐ Well Integrity |  |
| Subsequent Report   | Casing Repair                           | □ New                                    | w Construction             |  |  | Other            |  |
| Final Abandonment Notice  | Change Plans                            | —<br>□ Plug                              | g and Abandon              | Temporarily  | Abandon  | _                |  |
|   |   |  | ☐ Water Dispo              | ☐ Water Disposal   |  |                  |  |
| determined that the site is ready for<br>Dugan Production Corp. requ  | • •                                     | n on the approve                         | d APD.                     |  |  |                  |  |
| Current NMOCD rules   |   | rules and                                | d RCUD BCT 15'09           |  |  |                  |  |
| COMPLETE C-144 MUST BE SUBMITT<br>APPROVED BY THE NMOCD FOR: A PIT  | ED TO AND                               | 1  | regulations must be met at |  |  |                  |  |
| LOOP SYSTEM, BELOW GRADE TANK, OR   |   | _  |                            |  |  |                  |  |
| ROPOSED ALTERNATIVE METHOD, PURSUANT TO NMOCD PART 19.15.17, PRIOR TO THE USE OR CONSTRUCTION OF THE ABOVE APPLICATIONS.  |   | }  | time of drilling           |  |  |                  |  |
|   |   |  |                            |  | <i>→</i> `   |                  |  |
| This extensión  | eppires 12                              | 102/2011.                                |                            |  |  |                  |  |
| 14. I hereby certify that the foregoing   | Electronic Submission For DUGAN PRO     | DUCTION CORP                             | RÁTION, sent to            | the Farmington   |  |                  |  |
| Committed to AFMSS for processing by CYNT Namc(Printed/Typed) KURT FAGRELIUS  |   |  | Title GEOLC                | •  | XMUUU5SE)  |                  |  |
|   | G.1                                     |  | 7 10/00/0                  |  |  |                  |  |
| Signature (Electronic   | Submission) THIS SPACE                  | FOR FEDERA                               | Date 10/02/2               |  |  |                  |  |
| N John Som South and  | THIS OF AGE                             | , OKI LDLIV                              | CINDY MA                   |  |  |                  |  |
| Approved By   |   |  |                            | STRUMENTS E  | XAMINER  | Date 10/02/20    |  |
| Conditions of approval, if any, are attach<br>certify that the applicant holds legal or ea<br>which would entitle the applicant to conc   | quitable title to those rights in       | does not warrant or<br>the subject lease | Office Farming             | gton   |  |                  |  |