

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.**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF077978C
2. Name of Operator DUGAN PRODUCTION CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address FARMINGTON, NM 87499		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 505-325-1821		8. Well Name and No. FULLERTON 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 34 T28N R13W SENW 1850FNL 1850FWL 36.62097 N Lat, 108.20866 W Lon		9. API Well No. 30-045-07023-00-C1
		10. Field and Pool, or Exploratory AMARILLO GALLUP
		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			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recompleat 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 recompleat 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.)

Plan to plug well as follows:

Set CIBP at 6140' (Dakota 6190')

Spot 100' Type V cement on top of plug

Set CIBP at 5250' (Gallup 5210')

Spot 100' Type V cement on top of plug

Perforate 2490' (Mesa Verde 2440')

Set cement retainer at 2440'

Pump Type V cement to fill 100% annular volume to 100' above perforation and spot 100' plug on top of retainer

Perforate 1600' (Pictured Cliffs 1550')

Pump Type V cement to fill 100% annular volume to 100' above perforation and spot 100' plug on of retainer

Notify NMOCD 24 hrs
prior to beginning
operations

RCVD JAN 10 '11

OIL CONS. DIV.

DIST. 3

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #99864 verified by the BLM Well Information System For DUGAN PRODUCTION CORPORATION, sent to the Farmington Committed to AFMSS for processing by STEVE MASON on 01/05/2011 (11SXM0395SE)	
Name (Printed/Typed) JOHN C ALEXANDER	Title VICE-PRESIDENT
Signature (Electronic Submission)	Date 12/30/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By STEPHEN MASON	Title PETROLEUM ENGINEER	Date 01/05/2011
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 ******NMOCD**

Additional data for EC transaction #99864 that would not fit on the form

32. Additional remarks, continued

1320 1270
Perforate 1245' (Fruitland 1195')

Set cement retainer at 1495' 1270

Pump Type V cement to fill 100% annular volume to 100' above perforation and spot 100' plug on top of retainer

~~Perforate 520' (Ojo Alamo 476')~~

~~Pump Type V cement to fill 100% annular volume to 100' above perforation and leave 100' plug above perforation~~

Perforate 328' (surface casing 268') (Kerrland 278' + Ojo Alamo 158')

Pump adequate volume of Type V cement to circulate to surface

Set dry hole monument

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 1 Fullerton

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
3. The following modifications to your plugging program are to be made:
 - a) Place the bridge plug @ 5485' 100' above to top perforation. Bring the top of the Gallup plug to 5158'.
 - b) Place the Fruitland plug from 1320' – 1220' inside and outside the 5 ½" casing.
 - c) Place the Kirtland/Ojo Alamo/Surface plug from 328' to surface inside and outside the 5 ½" casing.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.