

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Designation and Serial No. NM 55113																										
2. Name of Operator Dugan Production Corp.		6. If Indian, Allotted or Tribe Name																										
3. Address and Telephone No. P.O. Box 420, Farmington, NM 87499 (505) 325-1821		7. If Unit or CA, Agreement Designation																										
Location of Well (Footage, Sec., T., R., M., or Survey Description) 1700' FNL & 950' FWL (SW/4NW/4) Unit E, Sec. 23, T26N, R12W, NMPM		8. Well Name and No. Leah Marie #3																										
12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		9. API Well No. 30 045 30314																										
<table border="1"> <thead> <tr> <th>TYPE OF SUBMISSION</th> <th>TYPE OF ACTION</th> </tr> </thead> <tbody> <tr> <td><input type="checkbox"/> Notice of Intent</td> <td><input type="checkbox"/> Abandonment</td> </tr> <tr> <td><input checked="" type="checkbox"/> Subsequent Report</td> <td><input type="checkbox"/> Recompletion</td> </tr> <tr> <td><input type="checkbox"/> Final Abandonment Notice</td> <td><input type="checkbox"/> Plugging Back</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Casing Repair</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Altering Casing</td> </tr> <tr> <td></td> <td><input checked="" type="checkbox"/> Other <u>Completion</u></td> </tr> <tr> <td></td> <td><input type="checkbox"/> Change of Plans</td> </tr> <tr> <td></td> <td><input type="checkbox"/> New Construction</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Non-Routine Fracturing</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Water Shut-Off</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Conversion to Injection</td> </tr> <tr> <td></td> <td><input type="checkbox"/> Dispose Water</td> </tr> </tbody> </table>		TYPE OF SUBMISSION	TYPE OF ACTION	<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back		<input type="checkbox"/> Casing Repair		<input type="checkbox"/> Altering Casing		<input checked="" type="checkbox"/> Other <u>Completion</u>		<input type="checkbox"/> Change of Plans		<input type="checkbox"/> New Construction		<input type="checkbox"/> Non-Routine Fracturing		<input type="checkbox"/> Water Shut-Off		<input type="checkbox"/> Conversion to Injection		<input type="checkbox"/> Dispose Water	10. Field and Pool, or Exploratory Area WAW FR Sand PC
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		11. County or Parish, State San Juan, NM																										



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.)*

Pressure test casing to 3,000 psi.

Run GR-CCL-CNL.

Perforate Picture Cliffs Sand 1,336' - 1,344' w/4 shots/ft. (32 shots for 8 ft).

Breakdown w/ 100 gal. 15% HCl followed by Frac 45,000# 20/40 sand
in 26,700 gal. 70 quality foam containing 20# X - Link gel.

Job completed on 03/05/02.

*COMPLETED &**NEED TO HAVE COMPLETION REPORT, (3160-4) RETURNED, BY 4-5-02*

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

Signed

Terry Kochis
Terry Kochis

Title

Petroleum Engineer

Date

3/7/2002

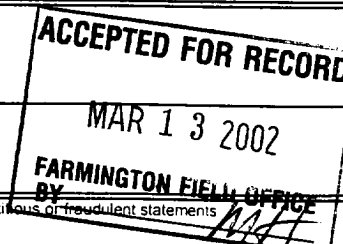
(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:



Title 18 U.S.C. Section 1001, makes 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.

*See Instruction on Reverse Side