FORM APPROVED UNITED STATES Budget Bureau No. 1004-0135 Form 3160-5 Expires: March 31, 1993 DEPARTMENT OF THE INTERIOR (June 1990) 5. Lease Designation and Serial No. BUREAU OF LAND MANAGEMENT NM 33021 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name 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 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE I. Type of Well 8. Well Name and No. Oil (X) Well Coaly 1 2. Name of Operator 9. API Well No. Dugan Production Corp. 30-045-25729 10. Field and Pool, or Exploratory Area 3. Address and Telephone No. (505) 325-1821 P.O. Box 420, Farmington, NM 87499 South Gallegos FR PC 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1850' FSL - 1850' FWL San Juan, NM Sec. K28, T27N, R12W, NMPM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Abandonment X Notice of Intent New Construction Recompletion Non-Routine Fracturing Plugging Back Subsequent Report Water Shut-Off Casing Repair Conversion to Injection Altering Casing Final Abandonment Notice Other Long term shut-in 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.) Request continuation of long term shut-in. The well was tested at 24 MCFD on 3/3/97. It will be tied in with Hugh Lake No. 3 well when right-of-way is approved. THUS APPROVAL EXPIRES MAY A (1983) OUL CORE DIVI

4. I hereby certify that the loregoing is take 3nd correct/	Vice-President	DateJune 3, 1998
(This space for Federal or State office use) Approved by Conditions of approval, if any:	Title	Date JUN 7 1998

Tide 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.