

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE:
(Other instructions on
reverse side)

FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1.a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER

b. TYPE OF COMPLETION: NEW Well WORK OVER DEEP-EN PLUG BACK DIFF. CENTR. OTHER

2. Name of Operator
Dugan Production Corp.

3. Address and Telephone No.
P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)
At surface **875' FNL & 1840' FWL (NE/4 NW/4)**

At top prod. interval reported below **same**

At total depth **same**

5. LEASE DESIGNATION AND SERIAL NO.
NOOC14205051

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
Navajo Allotted

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
Rusty Nail Com #90

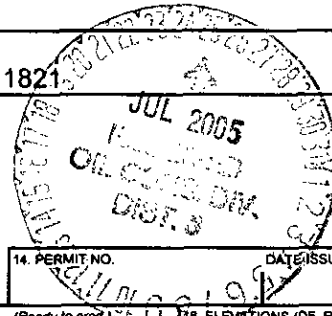
9. API Well No.
30 043 20988

10. FIELD AND POOL, OR WILDCAT
Basin Fruitland Coal

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
**Unit C
Sec. 34, T22N, R6W**

12. COUNTY OR PARISH
Sandoval

13. STATE
NM



14. PERMIT NO. DATE ISSUED
15. DATE SPUNDED **08/31/2004** 16. DATE T.D. REACHED **09/09/2004** 17. DATE COMPL. (Ready to prod.) **06/21/2005** 18. ELEVATIONS (DF, RKB, RT, GR, ETC.) **7044' GL** 19. ELEV. CASING HEAD

20. TOTAL DEPTH, MD & TVD **1535'** 21. PLUG BACK T.D., MD & TVD **1483'** 22. IF MULTIPLE COMPL., HOW MANY* 23. INTERVALS DRILLED BY **TD** ROTARY TOOLS CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)
1363'-1374' (Fruitland Coal) 25. WAS DIRECTIONAL SURVEY MADE **no**

26. TYPE ELECTRIC AND OTHER LOGS RUN **GR-CCL** 27. WAS WELL CORED **no**

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
7" J-55	20#	131'	8-3/4"	55 sx Class "B" + 3% CaCl2 + 1/4# celloflake/sx.	
4-1/2" J-55	10.5#	1526'	6-1/4"	125 sx 2% Lodense w/1/4# celloflake/sx. Tail w/50 sx Class "B" neat w/1/4# celloflake/sx (total 315 cu ft)	

29. LINER RECORD 30. TUBING RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SBT (MD)
					2-3/8"	1302'	NA

31. PERFORATION RECORD (Interval, size and number) 32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
1363'-1374'	1200 gals 15% HCL; 60,600 gals AmBor Max 1020 gel; 128,000# 20/40 Brady sand; 32,000# Resin sand

33. PRODUCTION

DATE FIRST PRODUCTION **N/A** PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) **swab - to be pumped** WELL STATUS (Producing or shut in) **shut-in**

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL - BBL	GAS - MCF	WATER - BBL	GAS - OIL RATIO
06/23/2005	24	2"		0	40 (est)	75	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24 - HOUR RATE	OIL - BBL	GAS - MCF	WATER - BBL	OIL GRAVITY - API (CORRECT)	
5	140		0	40 (est)	75		

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) **vented - to be sold** TEST WITNESSED BY **JUL 22 2005**

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED John Alexander Title **Vice-President** Date **07/18/2005**

FARMINGTON FIELD OFFICE
BY [Signature]

*(See Instructions and Spaces for Additional Data on Reverse Side)

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.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, cored intervals, and all drill-stem tests, including depth interval tested on used, time tool open, flowing and shut-in pressures, and recoveries);

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
				Ojo Alamo	1013'	
				Kirtland	1095'	
				Fruitland	1201'	
				Pictured Cliffs	1973'	
				TOTAL DEPTH	1535'	

ACCEPTED FOR RECORD
 JUL 8 5002
 EXAMINER'S OFFICE