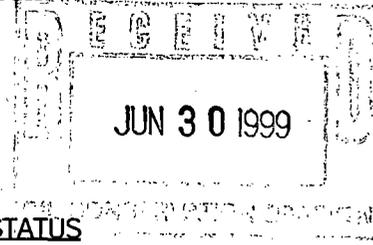


District I - (505) 393-6161
 1625 N. French Dr
 Hobbs, NM 88241-1980
 District II - (505) 748-1283
 811 S. First
 Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Road
 Aztec, NM 87410
 District IV - (505) 827-7131

New Mexico
 Energy Minerals and Natural Resources Department
 Oil Conservation Division
 2040 South Pacheco Street
 Santa Fe, New Mexico 87505
 (505) 827-7131

1029 Form C-142
 Date 06/99

SUBMIT ORIGINAL
 PLUS 2 COPIES
 TO THE SANTA FE
 OFFICE



APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address Dugan Production Corp. P. O. Box 420 Farmington, NM 87499-0420						OGRID Number 006515			
Contact Party John Alexander						Phone 505-325-1821			
Property Name State Com					Well Number 90	API Number 30-045-29680			
UL H	Section 16	Township 32N	Range 12W	Feet From The 1850	North/South Line North	Feet From The 790	East/West Line East	County San Juan	

II. Date/Time Information

Spud Date 1/6/99	Spud Time 1700	Date Completed 2/2/99	Pool Basin Fruitland Coal
---------------------	-------------------	--------------------------	------------------------------

- III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.
 IV. Attach a list of all working interest owners with their percentage interests.
 V. AFFIDAVIT:

State of New Mexico)
 County of San Juan) ss.
 John Alexander, being first duly sworn, upon oath states:

- I am the Operator, or authorized representative of the Operator, of the above-referenced well.
- To the best of my knowledge, this application is complete and correct.

Signature John Alexander Title Vice-president Date 6/29/99
 John Alexander
 SUBSCRIBED AND SWORN TO before me this 29th day of June, 1999

Cynthia L. Shrestha
 Notary Public

My Commission expires: 8-11-2000

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:
 This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature <u>Mark Hahley</u>	Title <u>P.E. Spec.</u>	Date <u>7-1-99</u>
---------------------------------	----------------------------	-----------------------

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 7/6/99

NOTICE: The operator must notify all working interest owners of this New Well certification.

PVE/2005849235

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.
30 045 29680

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
LG 0038 1

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name

State Com

1. Type of Well:
OIL WELL GAS WELL OTHER

8. Well No.
90

2. Name of Operator
Dugan Production Corp.

9. Pool name or Wildcat
Basin Fruitland Coal

3. Address of Operator
P. O. Box 420, Farmington, NM 87499-0420 (505)325-1821

4. Well Location
Unit Letter H : 1850 Feet From The North Line and 790 Feet From The East Line
Section 16 Township 32N Range 12W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
6043' GL (est)

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING
TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT
PULL OR ALTER CASING
OTHER: _____ OTHER: Further Spud Information

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

The initial spud sundry for this well did not reflect date and time of spud. This well was spudded 1/6/1999 at 1700 hrs.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE John Alexander TITLE Vice-president DATE 6/29/99
TYPE OR PRINT NAME John Alexander TELEPHONE NO. 325-1821

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.
30 045 29680

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
LG 0038 1

7. Lease Name or Unit Agreement Name

State Com

8. Well No.
90

9. Pool name or Wildcat
Basin Fruitland Coal

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE 'APPLICATION FOR PERMIT'
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
OIL WELL GAS WELL OTHER

2. Name of Operator
Dugan Production Corp.

3. Address of Operator
P. O. Box 420, Farmington, NM 87499-0420 (505)325-1821

4. Well Location
Unit Letter H : 1850 Feet From The North Line and 790 Feet From The East Line
Section 16 Township 32N Range 12W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
6043' GL (est)

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: <u>Spud</u> <input checked="" type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Drill 12-1/4" hole to 150'. Run 9-5/8" 36# K-55 casing to 137'. Cement with 94 cu. ft. class "G" with 3% CaCl₂ and 1/4# celloflake. Circulate 4 bbls cement to surface. Pressure test to 1000# - held ok. Job complete 1/6/99.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE John Alexander TITLE Vice-President DATE 1/8/99

TYPE OR PRINT NAME John Alexander TELEPHONE NO. 325-1821

(This space for State Use)

Original Signed by FRANK T. CHAVEZ SUPERVISOR DISTRICT # 3 DATE JAN 11 1999

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

Form C-104
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 5 Copies

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Dugan Production Corp. P. O. Box 420 Farmington, NM 87499-0420 (505)325-1821		² OGRID Number 006515
		³ Reason for Filing Code NW
⁴ API Number 30 - 045-29680	⁵ Pool Name Basin Fruitland Coal	⁶ Pool Code 71629
⁷ Property Code 003850	⁸ Property Name State Com	⁹ Well Number 90

II. ¹⁰ Surface Location

Ul or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
H	16	32N	12W		1850'	Nouth	790'	East	San Juan

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	16	32N	12W		1850'	North	790'	East	San Juan
¹² Lse Code S	¹³ Producing Method Code P	¹⁴ Gas Connection Date	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
006515	Dugan Production Corp. P. O. Box 420, Farmington, NM 87499	2023055	G	

IV. Produced Water

²³ POD 2023056	²⁴ POD ULSTR Location and Description
------------------------------	--

V. Well Completion Data

²⁵ Spud Date 1/6/99	²⁶ Ready Date 2/2/99	²⁷ TD 2287'	²⁸ PBTD 2287'	²⁹ Perforations 2071'-2285'	³⁰ DHC, DC, MC
³¹ Hole Size 12 1/4"	³² Casing & Tubing Size 9-5/8"	³³ Depth Set 137'	³⁴ Sacks Cement 94 cu. ft.		
8-3/4"	7"	2049'	534 cu. ft.		
6-1/4"	5-1/2" - (liner) Tbg 2-7/8"	1970' - 2286' 2257'	uncemented		

VI. Well Test Data

³⁵ Date New Oil	³⁶ Gas Delivery Date	³⁷ Test Date 3/8/99	³⁸ Test Length 24 hrs	³⁹ Tbg. Pressure na	⁴⁰ Csg. Pressure 280 psi
⁴¹ Choke Size 0.375	⁴² Oil —	⁴³ Water 3	⁴⁴ Gas 40 MCFD	⁴⁵ AOF	⁴⁶ Test Method

⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: *John Alexander*

Printed name: John Alexander

Title: Vice-President

Date: March 19, 1999

Phone: (505)325-1821

OIL CONSERVATION DIVISION

Approved by: *J.S.*
SUPERVISOR DISTRICT #3

Title:

Approval Date: MAR 22 1999

* If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature

Printed Name

Title

Date

WORKING INTEREST OWNERS

STATE COM #90
API #30 045 29680
Unit H, Section 16, T32N, R12W
San Juan County, New Mexico

Dugan Production Corp. -- 87.5%

Paul T. Griffin Trust -- 12.5%