

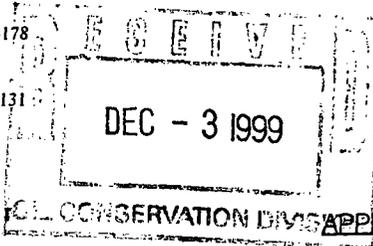
1461

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

SUBMIT ORIGINAL
PLUS 2 COPIES
TO THE SANTA FE
OFFICE



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 Dorsey				Well Number 1		API Number 30 045 29909		
UL E	Section 26	Township 22N	Range 8W	Feet From The 1720	North/South Line North	Feet From The 790	East/West Line West	County San Juan

II. Date/Time Information

Spud Date 06/30/99	Spud Time 1530	Date Completed 12/1/99	Pool Bisti Chacra Ext.
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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: December 2, 1999

SUBSCRIBED AND SWORN TO before me this 2nd day of December, 1999.

Traci D. Detch
Notary Public

My Commission expires: 9/8/01

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 Sahly</u>	Title <u>P.E. Speer</u>	Date <u>JAN 31 2000</u>
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VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 1/31/00

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

PV2V2007335412

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM 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

5. Lease Designation and Serial No.

NM 90472

6. If Indian, Allotted or Tribe Name

SUBMIT IN TRIPLICATE

1. Type of Well

Oil Well

Gas Well

Other

7. If Unit or CA, Agreement Designation

2. Name of Operator

Dugan Production Corp.

8. Well Name and No.

Dorsey #1

3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821

9. API Well No.

30 045 29909

Location of Well (Footage, Sec., T., R., M., or Survey Description)

1720' FNL & 790 FWL (SW/4 NW/4)
Unit E, Sec. 26, T22N, R8W

10. Field and Pool, or Exploratory Area

Bisti Chacra Ext.

11. County or Parish, State

San Juan, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

- Notice of Intent
- Subsequent Report
- Final Abandonment Notice

- Abandonment
- Recompletion
- Plugging Back
- Casing Repair
- Altering Casing
- Other Surface casing

- Change of Plans
- New Construction
- Non-Routine Fracturing
- Water Shut-Off
- Conversion to Injection
- 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.)*

Spud @ 1530 hrs 6/30/99. Set 7" 20# J-55 casing @ 120'. Cement with 59 cu. ft. class "B" containing 3% CaCl2. Circulate 2 bbls cement to surface. Job complete at 1930 hrs 6/30/99. Pressure test to 600 psi with no leaks.

RECEIVED
BLM
99 JUL - 2 PM 12: 30
070 FARMINGTON, NM

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

Signed

John Alexander
John Alexander

Title

Vice-president

Date

7/1/99

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

ACCEPTED FOR RECORD

JUL 14 1999

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.

FARMINGTON FIELD OFFICE
BY *[Signature]*

*See Instruction on Reverse Side
OPERATOR

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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 1720' FNL & 790' FWL (SW/4 NW/4)
At top prod. interval reported below same
At total depth same

5. LEASE DESIGNATION AND SERIAL NO.
NM 90472

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.
Dorsey #1

9. API Well No.
30 045 29909

10. FIELD AND POOL, OR WILDCAT
Bisti Chacra Ext.

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA
Unit E
Section 26, T22N, R8W

12. COUNTY OR PARISH
San Juan

13. STATE
NM

15. DATE SPUNDED 6/30/99

16. DATE T.D. REACHED 7/2/99

17. DATE COMPL. (Ready to prod.) 12/1/1999

18. ELEVATIONS (DF, RKB, RT, GR, ETC.) 6680'

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD 1360'

21. PLUG BACK T.D., MD & TVD 1316'

22. IF MULTIPLE COMPL., HOW MANY*

23. INTERVALS DRILLED BY ROTARY TOOLS TD CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)
1116' - 1242' (Chacra)

25. WAS DIRECTIONAL SURVEY MADE no

26. TYPE ELECTRIC AND OTHER LOGS RUN GR-CCL-CNL

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"	20#	120'	9-1/8"	59 cuft class "B" containing 3% CaCl2	
4-1/2"	10.5#	1352'	6-1/4"	122 cu ft 2% Lodense containing 1/4# celloflake/sx	
				Tail w/118 cu ft class "B" containing 1/4# celloflake/sx.	
				Total 240 cu ft	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	30. TUBING RECORD	PACKER SBT (MD)
					SIZE 2-3/8"	DEPTH SET (MD) 1166'
						NA

31. PERFORATION RECORD (Interval, size and number)

1116', 24', 33', 44', 50', 61', 74', 80', 94', 1202', 1213', 22', 24', 34', 42' w/1 spf (15 holes)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
1116' - 1242'	750 gals 15% HCL

33. PRODUCTION

DATE FIRST PRODUCTION 12/1/99

PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) capable of production

WELL STATUS (Producing or shut in) shut-in

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL - MCF.	GAS - MCF.	WATER - BBL.	GAS - OIL RATIO
12/1/99	24 hours						

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24 - HOUR RATE	OIL - BBL.	GAS - MCF.	WATER - BBL.	OIL GRAVITY - API (CORR.)
270	270					

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) vented - to be sold

TEST WITNESSED BY

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 12/2/99
John Alexander

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

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	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
				Ojo Alamo	96'	
				Kirtland	221'	
				Fruitland	552'	
				Pictured Cliffs	743'	
				Chacra	1107'	

WORKING INTEREST OWNERS

**DORSEY #1
API #30 045 29909
Unit E, Section 26, T22N, R8W
San Juan County, New Mexico**

Dugan Production Corp. -- 100.0%