

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 ☐

5. LEASE DESIGNATION AND SERIAL NO.

SF078156

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

Salgo, Federal A #95S

9. API Well No.

30 045 31350

10. FIELD AND POOL, OR WILDCAT

Basin Fruitland Coal

11. SEC., T., R., M., OR BLOCK AND SURVEY
OR AREA

Unit I

Sec. 33, T26N, R13W

12. COUNTY OR PARISH

San Juan

13. STATE

NM

b. TYPE OF COMPLETION:

NEW ☒ WORK ☐ DEEP- ☐ PLUG ☐ DIFF. ☐
Well ☒ OVER ☐ EN ☐ BACK ☐ 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 1450' FSL & 1250' FEL (NE/4 SE/4)

At top prod. interval reported below same

At total depth same

14. PERMIT NO.

DATE ISSUED

15. DATE SPUNDED

3/15/2004

16. DATE T.D. REACHED

3/18/2004

17. DATE COMPL. (Ready to prod.)

6/4/2004

18. ELEVATIONS (OF, RKB, RT, GR, ETC.)

6312' GL

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

1475'

21. PLUG BACK T.D., MD & TVD

1424'

22. IF MULTIPLE COMPL.,
HOW MANY*23. INTERVALS
DRILLED BY

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)*

1183'-1353' (Fruitland Coal)

25. WAS DIRECTIONAL SURVEY MADE

no

26. TYPE ELECTRIC AND OTHER LOGS RUN

GR-CCL-CNL

27. WAS WELL CORED

no

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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 | 23# | 131' | 8-3/4" | 50 sx Class "B" neat w/2% CaCl ₂ & 1/4# celloflake | |
| 4-1/2" J-55 | 10.5# | 1465' | 6-1/4" | 65 sx 3% Lodense w/3# Gilsontite/sx & 1/4# celloflake/sx. Tail w/50 sx Class | |
| | | | | "B" neat w/1/4# celloflake/sx. Total 242 cu ft | |

29. LINER RECORD

| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SCREEN (MD) | SIZE | DEPTH SET (MD) | PACKER SBT (MD) |
|------|----------|-------------|---------------|-------------|--------|----------------|-----------------|
| | | | | | 2-3/8" | 1402' | NA |

31. PERFORATION RECORD (Interval, size and number)

1183'-87' & 1254'-58' w/1 shot per 2 feet &
1302'-20'; 1333'-53' w/4 spf
(total 156 holes, DP-311T charges)

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

| DEPTH INTERVAL (MD) | AMOUNT AND KIND OF MATERIAL USED |
|---------------------|--|
| 1183'-1353' | 1200 gals 15% HCL; 121,460# Brady sand; |
| | 30,340# Resin coated sand; 2,357 barrels |
| | load water |

33.*

PRODUCTION

| DATE FIRST PRODUCTION | | PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) | | | | WELL STATUS (Producing or shut in) | |
|-----------------------|-----------------|--|------------------------|------------|--------------|------------------------------------|-----------------|
| N/A | | swab - to be pumped | | | | shut-in | |
| DATE OF TEST | HOURS TESTED | CHOKE SIZE | PROD'N FOR TEST PERIOD | OIL - BBL | GAS - MCF. | WATER - BBL. | GAS - OIL RATIO |
| 6/7/2004 | 24 | 2" | → | 0 | 45 (est) | 45 | |
| FLOW. TUBING PRESS. | CASING PRESSURE | CALCULATED 24 - HOUR RATE | OIL - BBL. | GAS - MCF. | WATER - BBL. | OIL GRAVITY - API (CORR.) | |
| 5 | 160 | → | 0 | 45 (est) | 45 | ACCEPTED FOR RECORD | |

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

vented - to be sold

TEST WITNESSED BY

JUN 18 2004

35. LIST OF ATTACHMENTS

FARMINGTON FIELD OFFICE

BY

Date 6/17/2004

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

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

NMOCD

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GEOLOGIC MARKERS

| FORMATION | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. | NAME | TOP | |
|-----------|-----|--------|-----------------------------|-----------------|-------------|---------------------|
| | | | | | MEAS. DEPTH | TRUE VERT. DEPTH |
| | | | | Ojo Alamo | 122' | |
| | | | | Kirtland | 188' | |
| | | | | Fruitland | 1036' | |
| | | | | Pictured Cliffs | 1354' | |
| | | | | Total Depth | 1475' | |