

Expires: February 28, 1995

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT(Other instructions on  
reverse side)

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG\*

1.a. TYPE OF WELL:		OIL WELL <input type="checkbox"/>	GAS WELL <input checked="" type="checkbox"/>	DRY <input type="checkbox"/>	OTHER <input type="checkbox"/>	5. LEASE DESIGNATION AND SERIAL NO. <b>SF-078155</b>	
b. TYPE OF COMPLETION:		NEW <input checked="" type="checkbox"/>	WORK OVER <input type="checkbox"/>	DEEP-EN <input type="checkbox"/>	PLUG BACK <input type="checkbox"/>	DIFF. CENTR. <input type="checkbox"/>	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. Name of Operator <b>Dugan Production Corp.</b>						7. UNIT AGREEMENT NAME <b>28</b>	
3. Address and Telephone No. <b>P.O. Box 420, Farmington, NM 87499 (505) 325-1821</b>						8. FARM OR LEASE NAME, WELL NO. <b>NMA Jeter #3S</b>	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface <b>1850' FSL &amp; 1200' FEL (NE/4 SW/4)</b>						9. API Well No. <b>30 045 31351</b>	
At top prod. interval reported below <b>same</b>						10. FIELD AND POOL, OR WILDCAT <b>Basin Fruitland Coal</b>	
At total depth <b>same</b>						11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA <b>Unit K Sec. 35, T26N, R13W</b>	
14. PERMIT NO.				DATE ISSUED		12. COUNTY OR PARISH <b>San Juan</b>	
15. DATE SPUN				16. DATE T.D. REACHED		13. STATE <b>NM</b>	
<b>3/29/2004</b>				<b>4/1/2004</b>		19. ELEV. CASINGHEAD	
17. DATE COMPL. (Ready to prod.) <b>5/10/2004</b>				18. ELEVATIONS (DF, RKB, RT, GR, ETC.) <b>6214' GL</b>			
20. TOTAL DEPTH, MD & TVD <b>1345'</b>		21. PLUG BACK T.D., MD & TVD <b>1300'</b>		22. IF MULTIPLE COMPL., HOW MANY*		23. INTERVALS DRILLED BY <b>TD</b>	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD) <b>1068'-1226' (Fruitland Coal)</b>						25. WAS DIRECTIONAL SURVEY MADE <b>no</b>	
26. TYPE ELECTRIC AND OTHER LOGS RUN <b>GR-CCL-CNL</b>						27. WAS WELL CORED <b>no</b>	
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	
<b>7" J-55</b>	<b>20#</b>	<b>125'</b>	<b>8-3/4"</b>	<b>50 sx Class "B" neat w/2% CaCl2 &amp; 1/4# celloflake</b>			
<b>4-1/2" J-55</b>	<b>10.5#</b>	<b>1339'</b>	<b>6-1/4"</b>	<b>65 sx 3% Lodense w/1/4# celloflake. Tail w/50 sx Class "B" neat w/1/4# celloflake. Total 242 cu ft</b>			
29. LINER RECORD							
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	30. TUBING RECORD		
					SIZE	DEPTH SET (MD)	PACKER SBT (MD)
					<b>2-3/8"</b>	<b>1243'</b>	<b>NA</b>
31. PERFORATION RECORD (Interval, size and number) <b>1068'-74' w/1 shot per 2 feet &amp; 1176'-96'; 1202'-06'; 1210'-26' w/4 spf (total 163 holes)</b>				32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.			
				DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED	
				<b>1068'-1226'</b>		<b>1200 gals 15% HCL; 46,727 gals AmBor Max</b>	
						<b>1020 gel; 128,000# 20/40 Brady sand;</b>	
						<b>32,000# Resin sand</b>	
33. PRODUCTION							
DATE FIRST PRODUCTION <b>N/A</b>		PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) <b>swab - to be pumped</b>				WELL STATUS (Producing or shut in) <b>shut-in</b>	
DATE OF TEST <b>5/12/2004</b>	HOURS TESTED <b>12 hours</b>	CHOKE SIZE <b>2"</b>	PROD'N FOR TEST PERIOD <b>0</b>	OIL - BBL <b>0</b>	GAS - MCF. <b>12 (est)</b>	WATER - BBL <b>5</b>	GAS - OIL RATIO
FLOW. TUBING PRESS. <b>2</b>	CASING PRESSURE <b>80</b>	CALCULATED 24 - HOUR RATE <b>0</b>	OIL - BBL <b>0</b>	GAS - MCF. <b>12 (est)</b>	WATER - BBL <b>10</b>	OIL GRAVITY - API (CORR.)	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) <b>vented - to be sold</b>						TEST WITNESSED BY <b>JUN 10 2004</b>	
35. LIST OF ATTACHMENTS						FARMINGTON FIELD OFFICE	
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records						BY <b>John D. Roe</b> Date <b>5/28/2004</b>	

\*(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.

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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	36'	
				Kirtland	114'	
				Fruitland	897'	
				Pictured Cliffs	1227'	
				Total Depth	1345'	