Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO 1004-0135 Expires July 31, 2010

ICEN/E Lease Serial No SUNDRY NOTICES AND REPORTS ON WELLS NOG09121762 Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals DEC 2 2 2011 If Indian, Allottee or Tribe Name **EASTERN NAVAJO** SUBMIT IN TRIPLICATE - Other instructions on reverse side of Land Managem 181/1 If Unit or CA/Agreement, Name and/or No Farmington Field Office Type of Well Well Name and No MARY ROSE COM 2 **COAL BED METHANE** Oil Well Gas Well Other Name of Operator JOHN C ALEXANDER API Well No DUGAN PRODUCTION CORPORATION all johncalexander@duganproduction com 30-045-35147-00-X1 Field and Pool, or Exploratory BASIN FRUITLAND COAL 3b Phone No (include area code) Ph: 505-325-1821 FARMINGTON, NM 874990420 4 Location of Well (Footage, Sec., T, R, M, or Survey Description) 11 County or Parish, and State Sec 20 T22N R8W SESE 1095FSL 1260FEL SAN JUAN COUNTY, NM 36.120930 N Lat, 107.700480 W Lon 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION □ Deepen ☐ Production (Start/Resume) □ Water Shut-Off ☐ Acidize ☐ Notice of Intent □ Well Integrity Alter Casing Fracture Treat ☐ Reclamation Subsequent Report ☐ New Construction Other Casing Repair □ Recomplete Final Abandonment Notice ☐ Change Plans ☐ Plug and Abandon Temporarily Abandon Convert to Injection ☐ Plug Back ☐ Water Disposal 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required subsequent reports shall be filed within 30 days. following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection) TD reported on sundry dated 11/22/11 reported an incorrect depth of 820'. The correct TD is 850'. RCVD DEC 27'11 OIL CONS. DIV. DIST. 3 14 Thereby certify that the foregoing is true and correct Electronic Submission #126517 verified by the BLM Well Information System For DUGAN PRODUCTION CORPORATION, sent to the Farmington Committed to AFMSS for processing by TROY SALYERS on 12/22/2011 (12TS0067SE) Name (Printed/Typed) JOHN C ALEXANDER Title VICE-PRESIDENT Signature (Electronic Submission) 12/21/2011 THIS SPACE FOR FEDERAL OR STATE OFFICE USE TROY SALYERS Title PETROLEUM ENGINEER Date 12/22/2011 Approved By Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

Title 18 U S C Section 1001 and Title 43 U.S.C Section 1212, make 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

Office Farmington