

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

SUBMIT IN TRIPLICATE

| | |
|--|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | 5. Lease Designation and Serial No. NM 014023 |
| 2. Name of Operator Dugan Production Corp. | 6. If Indian, Allotted or Tribe Name |
| 3. Address and Telephone No. P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821 | 7. If Unit or CA, Agreement Designation |
| Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FSL & 1980' FWL Sec. 31, T24N, R7W, NMPM | 8. Well Name and No. Betty C 31 #3 |
| | 9. API Well No. 30 039 22787 |
| | 10. Field and Pool, or Exploratory Area Lybrook Gallup |
| | 11. County or Parish, State Rio Arriba, NM |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | |
|---|---|--|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Abandonment | <input type="checkbox"/> Change of Plans |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Recompletion | <input type="checkbox"/> New Construction |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Plugging Back | <input type="checkbox"/> Non-Routine Fracturing |
| | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> Water Shut-Off |
| | <input type="checkbox"/> Altering Casing | <input type="checkbox"/> Conversion to Injection |
| | <input checked="" type="checkbox"/> Other <u>Returned to production</u> | <input type="checkbox"/> 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.)

This well was returned to production in January, 2005. We are using a pump jack to lift water so that gas can be produced. At this time only water is being produced. It may take a few months to have gas sales.

RECEIVED
APR 11 PM 3 45
070 FARMINGTON NM

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

Signed John Alexander Vice-President Date 04/08/2005

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____
Conditions of approval, if any:

ACCEPTED FOR RECORD

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.

APR 14 2005

*See Instruction on Reverse Side

NMOCD

FARMINGTON FIELD OFFICE
BY John