

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input checked="" type="checkbox"/> Other CBM		5. Lease Serial No. NOG09121762
b Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr Other _____		6 If Indian, Allottee or Tribe Name EASTERN NAVAJO
2 Name of Operator DUGAN PRODUCTION CORPORATION		7. Unit or CA Agreement Name and No NMNM112652
Contact: JOHN C ALEXANDER Email: johncalexander@duganproduction.com		8 Lease Name and Well No Mary Rose Com #2
3 Address FARMINGTON, NM 874990420		9 API Well No 3004535147
3a Phone No. (include area code) Ph: 505-325-1821		10 Field and Pool, or Exploratory BASIN FRUITLAND COAL
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface SESE 1095FSL 1260FEL At top prod interval reported below SESE 1095FSL 1260FEL At total depth SESE 1095FSL 1260FEL		11. Sec , T , R , M., or Block and Survey or Area Sec 20 T22N R8W Mer NMP
14 Date Spudded 11/15/2011		12 County or Parish SAN JUAN
15. Date T D Reached 11/18/2011		13. State NM
16 Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 10/02/2012		17 Elevations (DF, KB, RT, GL)* 6588 GL
18. Total Depth: MD 850 TVD 850		19. Plug Back T D.: MD 842 TVD 842
20 Depth Bridge Plug Set MD TVD		21 Type Electric & Other Mechanical Logs Run (Submit copy of each)
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)		

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt (#/ft)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	8.625 J-55	24.0		127		120		Surface	
7.875	5.500 J-55	15.5		842		139		Surface	

RCVD OCT 19 '12
OIL CONS. DIV.
DIST. 3

24 Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 3/8	659							

25 Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No Holes	Perf. Status
A) FRUITLAND COAL	562	593	562 TO 593		104	
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc

Depth Interval	Amount and Type of Material
562 TO 593	9.5 BBLS 15% HCL; 92,000# 20/40 SAND, 222 MSCF N2

28 Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
A	10/02/2012	24	→	0.0	50.0	75.0			FLOWS FROM WELL
Choke Size	Tbg Press Flwg	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
2"	SI 20	80.0	→	0	50	75		GSI	ACCEPTED FOR RECORD

28a Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
			→						UCT 16 2012
Choke Size	Tbg Press Flwg	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	FARMINGTON FIELD OFFICE
SI			→						BY

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #154428 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

NMOCD

28b Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate →	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	

28c Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate →	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	

29 Disposition of Gas(Sold, used for fuel, vented, etc.)
CAPTURED

30 Summary of Porous Zones (Include Aquifers)

Show all important zones of porosity and contents thereof Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
				FRUITLAND PICTURED CLIFFS	240 596

32 Additional remarks (include plugging procedure)

33 Circle enclosed attachments

- | | | | |
|-------------------------------------------------------|-------------------|---------------|----------------------|
| 1 Electrical/Mechanical Logs (1 full set req'd) | 2 Geologic Report | 3. DST Report | 4 Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6 Core Analysis | 7 Other: | |

34 I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)

Electronic Submission #154428 Verified by the BLM Well Information System.
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by JIM LOVATO on 10/16/2012 (13JXL0152SE)

Name (please print) JOHN C ALEXANDERTitle VICE-PRESIDENTSignature (Electronic Submission)Date 10/11/2012

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

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****