

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 type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. NOOC14205051
2. Name of Operator Dugan Production Corp.	6. If Indian, Allocated 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) 875' FNL & 1840' FWL (NE/4 NW/4) Unit C, Sec. 34, T22N, R6W	8. Well Name and No. Rusty Nail Com #90
	9. API Well No. 30 043 20988
	10. Field and Pool, or Exploratory Area Basin Fruitland Coal
	11. County or Parish, State Sandoval, 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>Completion</u>	<input type="checkbox"/> Dispose Water
<small>(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)</small>		

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.)

Pressure test casing to 3500#, held. Run GR-CCL logs. Perforate Fruitland Coal from 1363'-1374' w/4 spf (total 44 holes). Acidize w/500 gallons 15% HCL. Frac w/44,700# 20/40 Brady sand; 31,077 gals AquaSafe X-20 gel.

2005 JUN 29 AM 10 52
070 FARMINGTON NM
RECEIVED

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

Signed <u>John Alexander</u> John Alexander	Title <u>Vice-President</u>	Date <u>06/27/2005</u>
(This space for Federal or State office use)		
Approved by _____	Title _____	Date _____
Conditions of approval, if any:		
FARMINGTON FIELD OFFICE BY <u>cdh</u>		