

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NOG03111696

6. If Indian, Allottee or Tribe Name
EASTERN NAVAJO

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other: COAL BED METHANE

8. Well Name and No.
HOSS COM 96

2. Name of Operator Contact: JOHN C ALEXANDER
DUGAN PRODUCTION CORPORATION Mail: johncalexander@duganproduction.com

9. API Well No.
30-045-34601-00-X1

3a. Address
FARMINGTON, NM 874990420

3b. Phone No. (include area code)
Ph: 505-325-1821

10. Field and Pool, or Exploratory
BASIN FRUITLAND COAL

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 12 T23N R11W SWSW 950FSL 1130FWL
36.236420 N Lat, 107.960700 W Lon

11. County or Parish, and State
SAN JUAN COUNTY, NM

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Drilling Operations |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> 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.)

Spud 12-1/4" hole @ 4:00 p.m. 8/15/13. Drilled to 135'. Run 8-5/8" 24# J-55 csg. Land @ 135', float collar @ 93'. Cement w/100 sx Type III cement w/2% CaCl2 + 1/4# celloflake/sx (130 cu ft). Displaced w/5.9 bbls water. Circulate 6 bbls cement. NU BOP. Pressure test csg & blind rams to 800 psi for 30 mins, held ok. Pressure test pipe rams to 2000 psi for 10 mins, held ok; low test 250 psi for 5 mins, held ok. Pressure test choke manifold, kill line, Kelly valve to 2000 psi for 10 mins, held ok; low test 250 psi for 5 mins, held ok.

RCVD SEP 4 '13
OIL CONS. DIV.
DIST. 3

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

**Electronic Submission #218396 verified by the BLM Well Information System
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMS for processing by WILLIAM TAMBEKOU on 08/28/2013 (13WMT0025SE)**

| | |
|---------------------------------------|----------------------|
| Name (Printed/Typed) JOHN C ALEXANDER | Title VICE-PRESIDENT |
| Signature (Electronic Submission) | Date 08/28/2013 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--|-----------------|
| Approved By ACCEPTED | WILLIAM TAMBEKOU Title PETROLEUM ENGINEER | Date 08/28/2013 |
| 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. | | |
| Office Farmington | | |

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.

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

