UNITED STATES Form 3160-5 **EOŘM APPROVED** DEPARTMENT OF THE INTERIOR (June 1990) Budget Bureau No. 1004-0135 BUREAU OF LAND MANAGEMENT Expires: March 31,1993 5. Lease Designation and Serial No. **SUNDRY NOTICES AND REPORTS ON WELLS** ŃМ 43438 Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. 6. If Indian, Allotted or Tribe Name Use "APPLICATION FOR PERMIT -" for such proposals SUBMIT IN TRIPLICATE 1. Type of Well 7. If Unit or CA, Agreement Designation Well Wall Other 8. Well Name and No. 2. Name of Operator Dugan Production Corp. Cleve Kyle #2 9. API Well No. 3. Address and Telephone No. P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821 30 045 29038 Location of Well (Footage, Sec., T., R., M., or Survey Description) 10. Field and Pool, or Exploratory Area 790' FNL & 1190' FWL NW/4 NW/4 Bisti Chacra Unit D, Sec. 18, T22N, R8W, NMPM 11. County or Parish, State San Juan, NM 12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION X Notice of Intent Abandonment Change of Plans Recompletion **New Construction** Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice **Altering Casing** Conversion to Injection X Other Dispose Water Place on production (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.)* Pipeline and gathering system is under construction. Project should be completed within the next six months. Once completed, this well will be turned to sales. 070 FARMINGTON 14. I hereby certify that the foregoing is true and correct Signed Petroleum Engineer 12/16/2005 Date Damin Steed

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.

(This space for Federal or State office use)

Conditions of approval, if any:

Original Signed: Stephen Mason __ Title

DEC 2 3 2005

Date