Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

2006 JUN 21

FORM APPROVED Budget Bureau No. 1004-0135

Expires: March 31,1993

5 Lease Designation and Serial No.

SF 079964 SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. En la light and Allotted or Tribe Name Use "APPLICATION FOR PERMIT -" for such proposals TON MM SUBMIT IN TRIPLICATE 7. If Unit or CA, Agreement Designation 1. Type of Well Gas Well 8. Well Name and No. 2. Name of Operator J. C. Daum #1 Dugan Production Corp. 3. Address and Telephone No. 9. API Well No. P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821 30 045 05221 10. Field and Pool, or Exploratory Area Location of Well (Footage, Sec., T., R., M., or Survey Description) Bisti Gallup 1650' FSL & 990' FEL Sec. 26, T25N, R11W, 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 ACTION TYPE OF SUBMISSION Notice of Intent Change of Plans Abandonment П Recompletion **New Construction** Subsequent Report П Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off **Altering Casing** Conversion to Injection Final Abandonment Notice Change of Operator 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.)* Previous Operator: Dugan Production Corp., P. O. Box 420, Farmington, NM 87499-0420 New Operator: Maralex Resources Inc., P. O. Box 338, Ignacio, CO 81137 Effective Date: 5/1/06 14. I hereby certify that the foregoing is true and correct Vice-President 6/20/2006 Date (This space for Federal or State office use) **ACCEPTED FOR RECORD** Approved by Date JUN 2 2 2006 Conditions of approval, if any: **FARMINGTON DIRTRICT OFFICE**

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

or representations as to any matter within its jurisdiction.