

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RCVD APR 24 '07

OIL CONS. DIV.

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

RECEIVED
RLM

210 FARMINGTON NM

| | |
|--|---|
| 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. NM 57445 |
| 2. Name of Operator Dugan Production Corp. | 6. If Indian, Allotted or Tribe Name |
| 3. Address and Telephone No. P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821 | 7. Unit or CA, Agreement Designation |
| Location of Well (Footage, Sec., T., R., M., or Survey Description) 1500' FNL & 1280' FWL (SW/4 NW/4) Unit E, Sec. 27, T22N, R8W, NMPM | 8. Well Name and No. Zappa #91S |
| | 9. API Well No. 30 045 33856 |
| | 10. Field and Pool, or Exploratory Area Basin Fruitland Coal |
| | 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 |
|---|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Abandonment |
| <input checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Plugging Back |
| | <input type="checkbox"/> Casing Repair |
| | <input type="checkbox"/> Altering Casing |
| | <input checked="" type="checkbox"/> Other <u>Completion</u> |
| | <input type="checkbox"/> Change of Plans |
| | <input type="checkbox"/> New Construction |
| | <input type="checkbox"/> Non-Routine Fracturing |
| | <input type="checkbox"/> Water Shut-Off |
| | <input type="checkbox"/> Conversion to Injection |
| | <input type="checkbox"/> 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.)*

Pressure test casing to 3500#, held. Run GR-CCL-CNL logs. Perforate Fruitland Coal from 674'-695' w/4 spf (total 84 holes). Acidize w/500 gals 15% HCL. Frac w/70,350# 20/40 Brady sand; 38,355 gals AquaSafe gel.

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

Signed

John C. Alexander

Vice-President

Date

4/16/2007

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

ACCEPTED FOR RECORD

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.

APR 19 2007

*See Instruction on Reverse Side

NMOC

FARMINGTON FIELD OFFICE