

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 NM:8608006
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 If Unit or CA, Agreement Designation
Location of Well (Footage, Sec., T., R., M., or Survey Description) 1745' FNL & 1595' FWL (SE/4 NW/4) Unit F, Sec. 9, T25N, R10W, NMPM	8. Well Name and No Latex #1S
	9. API Well No 30 045 34021
	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

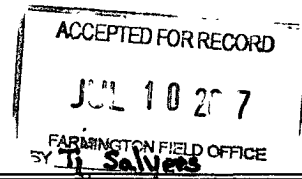
TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>TD, production casing</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)*

RCVD JUL 12 '07
OIL CONS. DIV.
DIST. 3

Drill to TD @ 1940' on 6/28/07. Run 5 1/2" 15.5# J-55 csg in 7" hole. Land @ 1928', float collar @ 1889'. Cement w/120 sx Type 5 cement w/2% Lodense, 2# PhenoSeal & 1/4# celloflake/sx. Tail w/50 sx Type 5 cement w/2# PhenoSeal & 1/4# celloflake/sx (313 cu ft total slurry). Displace w/36 bbls water. Circulated water ahead of cement & trace of cement to surface. Pressure test will be reported on completion sundry.



14 I hereby certify that the foregoing is true and correct

Signed John M. Guil Title Vice-President Date 7/6/2007

John Alexander

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any