Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED

Budget Bureau No 1004-0135

Expires March 31,1993

| UNDRY NOTICES | S AND | REPORTS | ON | WELLS |
|---------------|-------|---------|----|-------|
|---------------|-------|---------|----|-------|

Lease Designation and Senal No NM 43438 M II: 49

6 If Indian, Allotted or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. RECEIVED Use "APPLICATION FOR PERMIT -" for such proposals SUBMIT IN TRIPLICATE 1 Type of Well 7 If Unit or CA, Agreement Designation Oil Gas 8 Well Name and No 2 Name of Operator Dugan Production Corp. Cleve Kyle #2 3 Address and Telephone No 9 API Well No (505) 325 - 1821 30 045 29038 P.O. Box 420, Farmington, NM 87499 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 Pansh, State San Juan, NM 12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION K Notice of Intent Abandonment Change of Plans П 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 PRODUCTION START-UP 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.)*

Well first delivered on May 21, 2007 @ 1:30 pm.

or representations as to any matter within its jurisdiction

RCVD JUL 19'07 OIL CONS. DIV. DIST. 3

| 14 I hereby ce | rrify that the foregoing is true and correct | | | | |
|-----------------------------|--|---------|------------------------|------|----------------------------|
| Signed | Staci Brooks | Title _ | Prod. Acct. Supervisor | Date | 6/20/2007 |
| (This space for F | Federal or State office use) | | | | ACCEPTED FOR RECORD |
| Approved by Conditions of a | pproval, if any | Title | **** | Date | JUL 1 7 2007 |
| | | | | | FARMINGTON DISTRICT 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, fictitious fraudulent statements