

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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 NOO-C-14-20-5594
2 Name of Operator Dugan Production Corp.		6, If Indian, Allotted or Tribe Name Navajo Allotted
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) 1180' FSL & 1790' FWL Sec. 10, T22N, R7W, NMPM		8 Well Name and No Navajo 10-22-7 #1
		9 API Well No 30 043 20346
		10. Field and Pool, or Exploratory Area Rusty Chacra
		11. County or Parish, State Sandoval, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input 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 type="checkbox"/> Other <u>Return to production</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.)*

This well will not have any production for the month of June. Workover pit application has been filed. Plans to move rig on location week of June 25, 2007 and should return well to production in the month of July. This will be the first month of no production.

RCVD JUL 23 '07

OIL CONS. DIV.

DIST. 3

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

Signed

Title

Production Foreman

Date

6/22/2007

(This space for Federal or State office use)

Approved by

Original Signed: Stephen Mason

Title

Date

JUL 19 2007

Conditions of approval, if any: