

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTRECEIVED
SUBMIT IN DUPLICATE
Other instructions on reverse side
AUG 15 2008FORM APPROVED
OMB NO 1004-0137
Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1 a TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>		5 LEASE DESIGNATION AND SERIAL NO NM-32124	
b TYPE OF COMPLETION NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEP- <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF <input type="checkbox"/> Well <input checked="" type="checkbox"/> OVER <input type="checkbox"/> EN <input type="checkbox"/> BACK <input type="checkbox"/> CENTR <input type="checkbox"/> OTHER <input type="checkbox"/>		8 IF INDIAN, ALLOTTEE OR TRIBE NAME RCVD AUG 19 '08	
2 Name of Operator Dugan Production Corp.		7 UNIT AGREEMENT NAME OIL CONS. DIV.	
3 Address and Telephone No P.O. Box 420, Farmington, NM 87499 (505) 325-1821		8 FARM OR LEASE NAME, WELL NO DIST. 3	
4 LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At Surface 1200' FSL & 1800' FWL (SE/4 SW/4)		9 API Well No 30-045-34216	
At top prod. interval reported below same		10 FIELD AND POOL, OR WILDCAT Basin Fruitland Coal	
At total depth same		11 SEC., T., R., M. OR BLOCK AND SURVEY OR AREA Unit N	
14 PERMIT NO		DATE ISSUED	
15 DATE SPUNDED 11/13/2007		12 COUNTY OR PARISH San Juan	
16 DATE T.D. REACHED 11/16/2007		13 STATE NM	
17 DATE COMPL. (Ready to prod.) 8/13/2008		18 ELEVATIONS (OF, RKB, RT, GR, ETC)* 6545' GL	
19 ELEV CASINGHEAD		20 TOTAL DEPTH, MD & TVD 1100'	
21 PLUG BACK T.D., MD & TVD 1050'		22 IF MULTIPLE COMPL., HOW MANY*	
23 INTERVALS DRILLED BY → TD		24 PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)* 850'-872' (Fruitland Coal)	
25 WAS DIRECTIONAL SURVEY MADE no		26 TYPE ELECTRIC AND OTHER LOGS RUN GR-CNL-CCL	
27 WAS WELL CORED no		28 CASING RECORD (Report all strings set in well)	
29 LINER RECORD		30 TUBING RECORD	
31 PERFORATION RECORD (Interval, size and number) 850'-872' w/4 spf (total 22', 88 holes)		32 ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC DEPTH INTERVAL (MD) 850'-872' AMOUNT AND KIND OF MATERIAL USED 42.333 gals fluid, 77,160# 20/40 sand	
33 * PRODUCTION DATE FIRST PRODUCTION N/A PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) Flowing WELL STATUS (Producing or shut in) Shut in		34 DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Vented - to be sold	
35 LIST OF ATTACHMENTS		36 I hereby certify that the foregoing and attached information is complete and correct as determined from all available records SIGNED <u>John Alexander</u> Title <u>Vice-President</u> Date <u>8/14/2008</u>	

*(See Instructions and Spaces for Additional Data on Reverse Side)

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, or to furnish any information in any matter within the jurisdiction.

NMCCD

FARMINGTON FIELD OFFICE

37 SUMMARY OF POROUS ZONES (Show all important zones of porosity and contents thereof: cored intervals; and all drill-stem tests, including depth interval tested on used, time tool open, flowing and shut-in pressures, and recoveries)

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GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC	NAME	TOP	
					MEAS DEPTH	TRUE VERT DEPTH
				Kirtland	surface	
				Fruitland	508'	
				Pictured Cliffs	874'	
				Total Depth	1100'	