

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. PET INC 1
2. Name of Operator DUGAN PRODUCTION CORP.		9. API Well No. 30-045-07235
3a. Address P.O. BOX 420 FARMINGTON, NM 87499-0420		10. Field and Pool, or Exploratory OJO GALLUP
3b. Phone No. (include area code) Ph: 505.325.1821 Fx: 505.327.4613		11. County or Parish, and State SAN JUAN COUNTY, NM
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 26 T28N R15W NWNW 660FNL 660FWL		

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

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Approved as to plugging of the well bore.
Liability under bond is retained until
surface restoration is completed.

Plugged well as follows:

While attempting to pull tubing from well, tubing parted leaving it's top at 2966'. Fished on parted tubing for two days while encountering heavy scale. While drilling at 2047', the casing scraper broke in two leaving bottom half of the scraper with blades intact in the hole. Fished on scraper for two days with no recovery. Obtained amended plugging procedure from BLM. Ran perforating gun to 1870' and could go no further. Obtained amended plugging procedure from BLM. Perforate at 1870'. Ran cement retainer and set at 1792'. Pumped 103 cu ft Class "B" through retainer leaving 50' of cement on top. Perforate at 1010'. Ran cement retainer and set at 950'. Pumped 96 cu ft Class "B" through retainer and left 19 cu ft on top. Tag cement at 818'. Perforate at 598'. Ran cement retainer and set at 548'. Pumped 354 cu ft Class "B" through retainer. Filled casing inside from 548' to surface with 54 cu ft Class "B". Set dry hole marker.

ENTERED
APR 25 1968

2003

BY 94

1-3-03

14. I hereby certify that the foregoing is true and correct.	
<p align="center">Electronic Submission #17513 verified by the BLM Well Information System For DUGAN PRODUCTION CORP., sent to the Farmington Committed to AFMSS for processing by Steve Mason on 01/16/2003 ()</p>	
Name (Printed/Typed) JOHN ALEXANDER	Title VICE-PRESIDENT
Signature (Electronic Submission)	Date 01/09/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office _____	JAN 16 2003 FARMINGTON FIELD OFFICE

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

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FARMINGTON

Additional data for EC transactio.. #17513 that would not fit on the form

32. Additional remarks, continued

Job complete 1/3/2003. All operations observed by BLM.