

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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APR 30 2009

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

Bureau of Land Management
Farmington Field Office

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

☐ Oil Well ☒ Gas Well ☐ Other

2 Name of Operator

Dugan Production Corp.

3 Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821

Location of Well (Footage, Sec., T., R., M., or Survey Description)

2160' FNL & 660' FWL (SW/4 NW/4)
Unit E, Sec. 12, T23N, R11W, NMPM

Lease Designation and Serial No

NM-80498

6. If Indian, Allotted or Tribe Name

Navajo Allotted

7. If Unit or CA, Agreement Designation

8 Well Name and No.

Hoss Com #97

9. API Well No.

30 045 34534

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

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Suspend completion operations
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ 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 MAY 8 '09
OIL CONS. DIV.
DIST. 3

Due to current infrastructure and economic constraints, the operator requests approval to suspend completion operations indefinitely on the Hoss Com #97.

The Hoss Com #97 is tied into the Sesamee Street Gathering system. This infrastructure is insufficient to handle current production volumes of natural gas. Construction will begin next week on 4 miles of new 10" compressor suction line. This expansion will create additional room for gas sales from new wells to be added to the system.

Once the expansion project is finished and improvements in the economy occur, completion operations (fracture stimulations, installation of production facilities and recontouring and re-seeding of disturbed areas) will resume.

THIS APPROVAL EXPIRES MAY 15 2010

14 I hereby certify that the foregoing is true and correct

Signed

Kurt Fagrelus
Kurt Fagrelus

Title

Vice-President, Exploration

Date

4/29/2009

(This space for Federal or State office use)

Approved by Original Signed: Stephen Mason Title

Date

MAY 06 2009

Conditions of approval, if any.