

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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.*5. Lease Serial No.
NMNM10089

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
MARY ANN 3

2. Name of Operator

DUGAN PRODUCTION CORPORATION

Contact: JOHN C ALEXANDER

Email: johncalexander@duganproduction.com

9. API Well No.

30-045-25050-00-S2

3a. Address

FARMINGTON, NM 87499

3b. Phone No. (include area code)

Ph: 505-325-1821

10. Field and Pool, or Exploratory

BISTI

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

Sec 9 T24N R9W NWSW 1650FSL 0790FWL
36.32573 N Lat, 107.80029 W Lon

11. County or Parish, and State

SAN JUAN COUNTY, NM

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

TYPE OF SUBMISSION

TYPE OF ACTION

☐ Notice of Intent☒ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other

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 recompleat 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 recompleat 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.)

Plugged Gallup as follows:

Perforate 4 holes @ 4841'. TIH w/4-1/2", 11.6# cement retainer. Set @ 4787'. Pull out of retainer. Pressure test csg to 500# - held ok. Sting in to retainer. Establish rate 2 bpm @ 900#. Pump 69 cu ft Type III cement. Sting out of retainer. Lay down tubing to 4600'. Reverse circulate 1 bbl cement. Lay down tbg to 2550'. 240' cement below retainer 180' cement above retainer. Spot 20 cu ft Type III cement 2550'-2320' to cover Mesaverde. Pull tbg to 2300'. Reverse circulate 1/2 bbl cement. Perforate 4 squeeze holes @ 1636'. Ran 4-1/2", 11.6# retainer on wire line set @ 1630'. TIH w/stinger & tbg. Establish rate thru retainer 2 bpm @ 900#. Pumped 20 bbls water. No returns out bradenhead. Pumped 110 cu ft Type III cement 2 bpm @ 750#. No returns out bradenhead. Plugging of Gallup complete 12/10/2009. Witnessed by BLM.

Perforate Fruitland Coal from 1610'-1618' w/4 spf (total 8', 32 holes) 12/16/2009.

RCVD JAN 7 '10

OIL CONS. DIV.

DIST. 3

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

Electronic Submission #79306 verified by the BLM Well Information System

For DUGAN PRODUCTION CORPORATION, sent to the Farmington

Committed to AFMSS for processing by STEVE MASON on 01/05/2010 (10SXM0055SE)

Name (Printed/Typed) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 12/29/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

ACCEPTED

STEPHEN MASON
Title PETROLEUM ENGINEER

Date 01/05/2010

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 Farmington

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.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

NMCCD

Additional data for EC transaction #79306 that would not fit on the form

32. Additional remarks, continued

Ran frac packer & crossovers and 2-7/8" VAM 8.7 lb/ft tubing. Pressure tested tubing to 2500 psi, held ok. Set packer @ 1574'. Loaded annulus w/water. Fractured Fruitland Coal interval 1610'-1618' with 604 bbls cross-linked gelled water containing 25,500 lb 20/40 Arizona Silica. Job done 12/23/2009.