

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JAN 05 2009

FORM 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.
NMNM36952

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
FLO JO 959. API Well No.
30-045-34529-00-X110. Field and Pool, or Exploratory
BASIN FRUITLAND COAL11. County or Parish, and State
SAN JUAN COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: COAL BED METHANE

2. Name of Operator

DUGAN PRODUCTION CORPORATION

Contact: JOHN C ALEXANDER

Email: johncalexander@duganproduction.com

3a. Address

FARMINGTON, NM 87499

3b. Phone No. (include area code)

Ph: 505-325-1821

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

Sec 1 T23N R11W NWSE 1550FSL 1800FEL
36.25245 N Lat, 109.95218 W Lon

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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input 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 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.)

Pressure test casing to 3000 psi for 30 mins, held. Run GR-CNL-CCL logs. Perforate (10/12/09)
Fruitland Coal from 838'-862' w/4 spf (total 24', 96 holes). Pumped 500 gals 15% HCL. Frac
w/96,000# 20/40 sand; 69,700 gals gel (12/17/09). Ran 2-3/8" 4.7# J-55 csg on 12/30/09. Landed @
938', SN @ 901'.

RCVD JAN 7 '10
OIL CONS. DIV.
DIST. 3

Cannot produce well until in compliance w/ NMOC Rule 5.9.

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

Electronic Submission #79435 verified by the BLM Well Information System
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by TROY SALYERS on 01/05/2010 (10TLS0029SE)

Name (Printed/Typed) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 12/31/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

ACCEPTED

TROY SALYERS
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 **

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