

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**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 type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM0206994	
2. Name of Operator DUGAN PRODUCTION CORPORATION		6. If Indian, Allottee or Tribe Name	
3a. Address P. O. BOX 420 FARMINGTON, NM 874990420		7. If Unit or CA/Agreement, Name and/or No. NMNM75866	
3b. Phone No. (include area code) Ph: 505.325.1821 Fx: 505.327.4613		8. Well Name and No. CARPENTER 1	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 25 T30N R14W NESW 1730FSL 1800FWL 36.78258 N Lat, 108.26277 W Lon		9. API Well No. 30-045-09178-00-S1	
		10. Field and Pool, or Exploratory BASIN DAKOTA	
		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			
<input checked="" 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 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 type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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.)

Plan to plug well back to Fruitland Coal as follows: Set cast iron bridge plug at approximately 5750'. Spot 150' Class "B" cement plug inside casing to cover Dakota top at 5785'. Top Dakota perforation is 5789'. Set cast iron bridge plug at 4975'. Spot 150' Class "B" cement plug inside casing to cover Gallup top at 4925'. Perforate at approximately 2734' (50' below Mesaverde top at 2684'). Set cement retainer at about 2680'. Cement below retainer with an adequate volume of Class "B" cement to put 200' of cement outside casing and 150' cement inside casing. Perforate at approximately 1275'. Set cement retainer at about 1250'. Cement with an adequate volume of Class "B" cement to cover from perforation to 600' outside casing. Pictured Cliffs top at 1200' and Fruitland top at 845'.

Complete Fruitland Coal as follows: Pressure test casing. If test fails, a sundry will be submitted to plug the remainder of the well. Perforate Fruitland Coal from approximately 960' to

14. I hereby certify that the foregoing is true and correct. Electronic Submission #26252 verified by the BLM Well Information System For DUGAN PRODUCTION CORPORATION, sent to the Farmington Committed to AFMSS for processing by STEVE MASON on 01/08/2004 (04SXM0081SE)	
Name (Printed/Typed) JOHN ALEXANDER	Title VICE PRESIDENT
Signature (Electronic Submission)	Date 12/18/2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>STEPHEN MASON</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>01/20/2004</u>
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 <u>Farmington</u>

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 ******NMOC**

Additional data for EC transaction #26252 that would not fit on the form

32. Additional remarks, continued

1200'. Stimulate as needed.

The spacing unit for the coal at this location is the SE/4 of Section 26, T30N, R14W and the SW/4 of Section 25, T30N, R14W (where this well is located). Two C-102's reflecting that spacing are attached.

District I
PO Box 1988, Hobbs, NM 88241-1988
District II
PO Drawer DD, Artesia, NM 88211-8719
District III
1800 Elia Encinas Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30 045 09178-00-S1	* Pool Code 71629	* Pool Name Basin Fruitland Coal
* Property Code 003612	* Property Name Carpenter	* Well Number 1
* OGRID No. 006515	* Operator Name DUGAN PRODUCTION CORPORATION	* Elevation 5560'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County
K	25	30N	14W		1730	South	1800	West	San Juan

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West Line	County

* Dedicated Acres	* Joint or Infill	* Consolidation Code	* Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16									
E ₂ SEC.	26			W ₂ SEC.	25				
		Dugan Prod. NM-0206994		Carpenter 1 1730/S 1800/W 25-30N-14W				<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Kurt Fagrellius</i></p> <p>Signature: Kurt Fagrellius</p> <p>Printed Name: Geologist</p> <p>Title: February 26, 2001</p> <p>Date:</p>	
		Dugan Prod. NM-23072				<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>February 23, 2001</p> <p>Date of Survey:</p> <p>Signature and Seal: </p> <p>Certificate Number: NM PLS #5979</p>			

NEW MEXICO OIL CONSERVATION COMMISSION

Well Location and Acreage Dedication Plat

Section A.

Date December 12, 1962

Operator PAN AMERICAN PETROLEUM CO. Lease Carpenter Gas Unit "E"
 Well No. 1 Unit Letter K Section 25 Township 30 NORTH Range 14 WEST NMPN
 Located 1730 Feet From SOUTH Line, 1800 Feet From WEST Line
 County SAN JUAN G. L. Elevation To report later Dedicated Acreage 1/4 320.36 Acres
 Name of Producing Formation Dakota Pool Basin Dakota

1. Is the Operator the only owner in the dedicated acreage outlined on the plat below?
 Yes _____ No X
2. If the answer to question one is "no", have the interests of all the owners been consolidated by written agreement or otherwise? Yes X No _____. If answer is "yes", Type of Consolidation _____
3. If the answer to question two is "no", list all the owners and their respective interests below:

Owner

Land Description

Communitization agreements for a W/2 Section 25 are being prepared; written approval to drill well on lease basis prior to final execution of unit instruments has been received from Compass Exploration, Inc. Pan American holds all leases in the W/2 of Section 25 except the SW/4 of the NW/4, in which it owns 7.5% UOI, and the S/2 of the SW/4, both of which Compass Exploration holds.

Section B.

This is to certify that the information in Section A above is true and complete to the best of my knowledge and belief.

Pan American Pet. Corp.

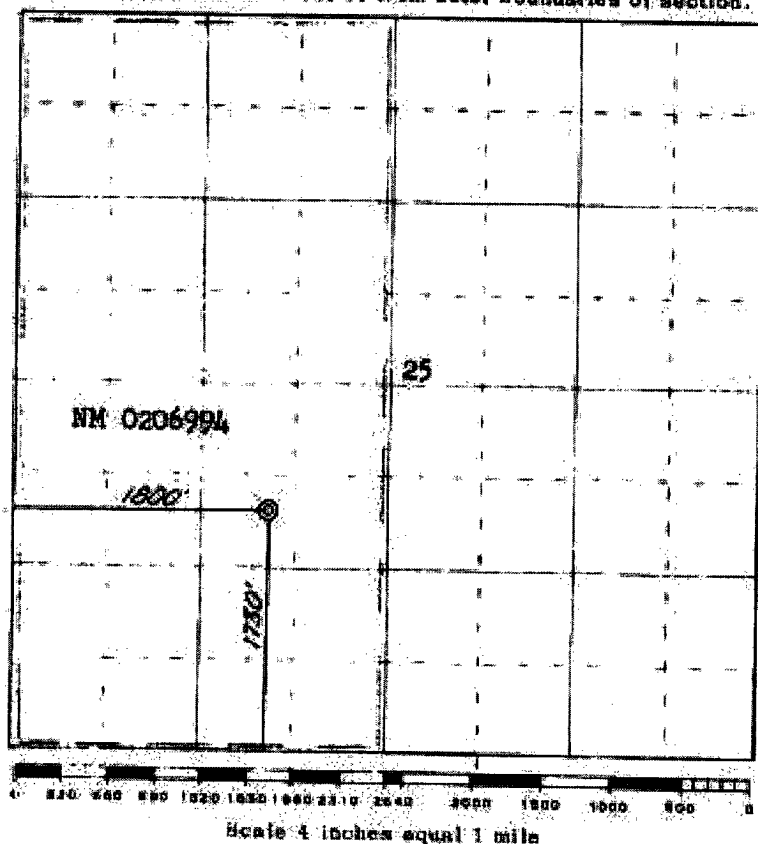
F. H. Hopfinger (Representative)F. H. Hopfinger

(Representative)

n Box 480, Farmington, New Mex.
 (Address)

Ref: GLO plat dated 27 July, 1937

Note: All distances must be from outer boundaries of section.



This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge and belief.

Date Surveyed 21 September, 1962

James P. Leano
 Registered Professional Engineer and/or Land Surveyor
 James P. Leano N. Mex. Reg. No 1163

Farmington, New Mexico