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Form 3160-4
(August 2006)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APR 30 2010

FORM APPROVED
OMB No. 1004-0137
Expires July 31, 2010WELL COMPLETION OR RECOMPLETION REPORT AND LOG
Farmington Field Office5 Lease Serial No
NOG09021754

1a Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
 b Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff Resvr
 Other _____

6 If Indian, Allottee or Tribe Name
EASTERN NAVAJO

7 Unit or C/A Agreement Name and No

2 Name of Operator DUGAN PRODUCTION CORPORATION
 Contact: JOHN C ALEXANDER
 Mail: johncalexander@duganproduction.com

8 Lease Name and Well No
MARTINEZ BEGAY COM 2

3 Address P O BOX 420
 FARMINGTON, NM 874990420

3a. Phone No. (include area code)
 Ph: 505-325-1821

9. API Well No.
30-045-34923-00-S1

4 Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface SESW 895FSL 1330FWL

At top prod interval reported below SESW 895FSL 1330FWL

At total depth SESW 895FSL 1330FWL

10 Field and Pool, or Exploratory
BASIN FRUITLAND COAL11 Sec, T., R., M., or Block and Survey
or Area Sec 34 T24N R10W Mer NMP12 County or Parish
SAN JUAN13 State
NM

14. Date Spudded
 07/08/2009

15. Date T.D. Reached
 07/13/2009

16 Date Completed
☐ D & A ☒ Ready to Prod
 04/26/2010

17. Elevations (DF, KB, RT, GL)*
6655 GL

18 Total Depth MD 1280
 TVD 1280

19 Plug Back T.D. MD 1064
 TVD 1064

20. Depth Bridge Plug Set. MD
 TVD

21 Type Electric & Other Mechanical Logs Run (Submit copy of each)
 GR-CCL-CNL

22 Was well cored? ☒ No ☐ Yes (Submit analysis)
 Was DST run? ☒ No ☐ Yes (Submit analysis)
 Directional Survey? ☒ No ☐ Yes (Submit analysis)

23 Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt (#/ft)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol (BBL)	Cement Top*	Amount Pulled
12 250	8 625 J-55	24 0	0	136		90		0	
7 000	5 500 J-55	15 5	0	1268		120		0	

24 Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	1136							

25. Producing Intervals

26 Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf Status
A) FRUITLAND COAL	1060	1080	1060 TO 1080		80	
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
1060 TO 1080	82,500# 20/40 SAND; 59,750 GALS FLUID

28 Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
A	04/26/2009	24	→	0 0	10 0	21 0			FLOWES FROM WELL
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
2	0	25 0	→	0	10	21		GSI	RCVD MAY 3 '10

28a Production - Interval B

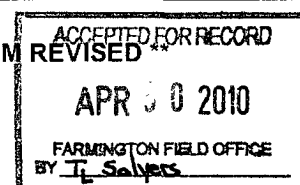
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
			→						OIL COME OUT
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
			→						DIST. 3

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #85712 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

NMOCD 48 5/6



28b Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press Flwg SI	Csg. Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press Flwg SI	Csg. Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
			→						

29. Disposition of Gas(Sold, used for fuel, vented, etc.)

VENTED

30 Summary of Porous Zones (Include Aquifers)

Show all important zones of porosity and contents thereof Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries

31 Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas Depth
				OJO ALAMO KIRTLAND FRUITLAND PICTURED CLIFFS	250 340 706 1082

32. Additional remarks (include plugging procedure)

33 Circle enclosed attachments

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other | |

34 I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)

**Electronic Submission #85712 Verified by the BLM Well Information System.
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by TROY SALYERS on 04/30/2010 (10TS0036SE)**

Name (please print) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature _____ (Electronic Submission)

Date 04/29/2010

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

**** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ****