

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.  
NMNM25433

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

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

1. Type of Well

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

8. Well Name and No.

SIXTEEN G S COM 91

2. Name of Operator

DUGAN PRODUCTION CORPORATION

Contact: JOHN C ALEXANDER

Email: johncalexander@duganproduction.com

9. API Well No.

30-045-35144-00-X1

3a. Address

FARMINGTON, NM 87499

3b. Phone No. (include area code)

Ph: 505-325-1821

10. Field and Pool, or Exploratory

BASIN FRUITLAND COAL

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

Sec 7 T24N R9W SWSW 1050FSL 790FWL  
36.32419 N Lat, 107.83658 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  
Well Spud

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.)

Spud 12-1/4" hole on 08/23/10. Drilled 130'. Run 7" 20# J-55 csg. Land @ 127', float collar @ 84'. Cement w/90 sx Type III cement w/3% CaCl<sub>2</sub> & 1/4# celloflake/sx (157 cu ft total slurry). Displace w/3.5 bbls water. Circulated 5 bbls cements. Install 7" swage. RU testers. Pressure up casing 600# for 30 min, held ok. NU BOP. Pressure test blind rams, pipe rams, and choke manifold 600#, all held ok. All tests witnessed by BLM inspector Oscar Torres.

RCVD AUG 30 '10  
OIL CONS. DIV.  
DIST. 3

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

Electronic Submission #91933 verified by the BLM Well Information System  
For DUGAN PRODUCTION CORPORATION, sent to the Farmington  
Committed to AFMSS for processing by STEVE MASON on 08/27/2010 (10SXM0299SE)

Name (Printed/Typed) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 08/26/2010

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

ACCEPTED

STEPHEN MASON  
Title PETROLEUM ENGINEER

Date 08/27/2010

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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