

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resrv. Other _____			6. If Indian, Allottee or Tribe Name EASTERN NAVAJO 7. Unit or CA Agreement Name and No.		
2. Name of Operator DUGAN PRODUCTION CORPORATION			Contact: JOHN C ALEXANDER Email: johncalexander@duganproduction.com		
3. Address FARMINGTON, NM 874990420			3a. Phone No. (include area code) Ph: 505-325-1821		
4. Location of Well (Report location clearly and in accordance with Federal requirements)* Sec 8 T22N R8W Mer NMP At surface NENW 1000FNL 1500FWL 36.15863 N Lat, 107.70864 W Lon At top prod interval reported below At total depth			8. Lease Name and Well No. TOM WOOD DENN 2 9. API Well No. 30-045-34933-00-S1		
			10. Field and Pool, or Exploratory BASIN FRUITLAND COAL		
			11. Sec., T., R., M., or Block and Survey or Area Sec 8 T22N R8W Mer NMP		
			12. County or Parish SAN JUAN		13. State NM
14. Date Spudded 08/31/2009		15. Date T.D. Reached 09/03/2009		16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 09/22/2010	
17. Elevations (DF, KB, RT, GL)* 67429 GL					
18. Total Depth: MD TVD 1100		19. Plug Back T.D.: MD TVD 1065		20. Depth Bridge Plug Set: MD TVD	
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) GR-CHN				22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)	

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

[illegible]

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	975							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) FRUITLAND COAL	829	892	829 TO 834	0.380	20	OPEN
B)			875 TO 892	0.380	68	OOEN
C)						
D)						

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

Depth Interval	Amount and Type of Material
829 TO 892	62,000 GAL X-LINE WATER, 88,000 LB. 20/40 SGND

28. Production - Interval A

Date First Produced A	Test Date 09/22/2010	Hours Tested 24	Test Production →	Oil BBL 0.0	Gas MCF 50.0	Water BBL 80.0	Oil Gravity Corr. API	Gas Gravity	Production Method RCVD OCT 7 '10 FLOWS FROM WELL
Choke Size 2"	Tbg. Press. Flwg. SI 0	Csg. Press. 100.0	24 Hr. Rate →	Oil BBL 0	Gas MCF 50	Water BBL 80	Gas:Oil Ratio	Well Status GSI	OIL CONS. DIV.

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
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

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

ELECTRONIC SUBMISSION #93619 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

REVISION FIELD OFFICE

SMR

MMOCDA ✓

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.)
CAPTURED

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	228
				KIRTLAND	328
				FRUITLAND	530
				PICTURED CLIFFS	897

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 #93619 Verified by the BLM Well Information System.
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by STEVE MASON on 10/04/2010 (11SXM0830SE)

Name (please print) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 09/28/2010

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 ****