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Form 3160-4
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCT 29 2010

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010WELL COMPLETION OR RECOMPLETION REPORT AND LOG
Farming in Field Office

1a. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input checked="" type="checkbox"/> Other: CBM		5. Lease Serial No. NOG09021755	
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	
2. Name of Operator DUGAN PRODUCTION CORPORATION		7. Unit or CA Agreement Name and No.	
Contact: JOHN C ALEXANDER Email: johncalexander@duganproduction.com		8. Lease Name and Well No. WOOD DENN 2	
3. Address FARMINGTON, NM 874990420		9. API Well No. 30-045-34924-00-S1	
3a. Phone No. (include area code) Ph: 505-325-1821		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL	
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface SESE 790FSL 1050FEL 36.14914 N Lat, 107.69950 W Lon At top prod interval reported below SESE 790FSL 1050FEL 36.14914 N Lat, 107.69950 W Lon At total depth SESE 790FSL 1050FEL 36.14914 N Lat, 107.69950 W Lon		11. Sec., T., R., M., or Block and Survey or Arca Sec 8 T22N R8W Mer NMP	
14. Date Spudded 09/29/2009		15. Date T.D. Reached 10/02/2009	
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 10/15/2010		17. Elevations (DF, KB, RT, GL)* 6737 GL	
18. Total Depth: MD 1090 TVD		19. Plug Back T.D.: MD 1037 TVD	
20. Depth Bridge Plug Set: MD TVD		21. Type Electric & Other Mechanical Logs Run (Submit copy of each) GR-CNL-CCL	
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)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	8.625 J-55	24.0	0	127		90	21	0	
7.875	5.500 K-55	15.5	0	1077		175	56	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	913							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) FRUITLAND COAL			716 TO 720	0.380	16	OPEN TO PRODUCE
B) FRUITLAND	716	866	789 TO 792	0.380	12	OPEN TO PRODUCE
C)			847 TO 866	0.380	76	OPEN TO PRODUCE
D)						

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

Depth Interval	Amount and Type of Material
716 TO 866	600 GALS 15% HCL, FRAC 1681 BBL X-LINKED GELLED WATER & 104,000 LBS 20/40 SAND

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	10/26/2010	24	→	0.0	25.0	73.0			FLows 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	75.0	→	0	25	73		GSI	

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 #96087 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

NMCCD

ACCEPTED FOR RECORD
OCT 29 2010
FARMINGTON FIELD OFFICE
BY T. Salyers

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	196
				KIRTLAND	280
				FRUITLAND	466
				PICTURED CLIFFS	868

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 #96087 Verified by the BLM Well Information System.
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by TROY SALYERS on 10/29/2010 (11TS0038SE)**

Name (please print) JOHN C ALEXANDERTitle VICE-PRESIDENTSignature (Electronic Submission)Date 10/28/2010

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 ****