

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.
NMNM10171

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.
NMNM737398. Well Name and No.
PAUL HALL 19. API Well No.
30-045-10488-00-S110. Field and Pool, or Exploratory
UNNAMED11. County or Parish, and State
SAN JUAN COUNTY, NM

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

DUGAN PRODUCTION CORPORATION

Contact: JOHN C ALEXANDER
Email: johncalexander@duganproduction.com

3a. Address

FARMINGTON, NM 87499

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

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

Sec 20 T31N R13W SESW 1190FSL 1500FWL
36.88184 N Lat, 108.22949 W Lon**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 checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input 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 recompletion 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 as follows:

Set CIBP at 6254' (Dakota top perf 6304')

Spot 100' Type V cement plug on top of plug

Spot 100' Type V cement plug 5375' - 5475' (Gallup 5425')

Perforate 3320' (Mesa Verde 3270')

Set cement retainer 3270'

Pump Type V cement below retainer to fill annulus plus 100% to 3170' and fill inside casing to 3170'

Perforate 1690' (Pictured Cliffs 1640')

Set cement retainer at 1640'

Pump Type V cement below retainer to fill annulus plus 100% to 1360' (Fruitland 1460') and fill inside casing to 1490'

**Notify NMOCD 24 hrs
prior to beginning
operations**

RCVD JAN 11 '11

OIL CONS. DIV.

DIST. 3

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

Electronic Submission #99999 verified by the BLM Well Information System

For DUGAN PRODUCTION CORPORATION, sent to the Farmington

Committed to AFMSS for processing by STEVE MASON on 01/10/2011 (11SXM0405SE)

Name (Printed/Typed) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 01/04/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By STEPHEN MASON

Title PETROLEUM ENGINEER

Date 01/10/2011

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 ****

NMOCD

Additional data for EC transaction #99999 that would not fit on the form

32. Additional remarks, continued

Perforate at 1000' (Ojo Alamo 950') *Ojo Alamo is not present*
Pump Type V cement to fill to 850' outside casing plus 100% and fill inside casing to 850'
Perforate 353' (surface casing 303')
Circulate cement to surface
Set dry hole monument

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 1 Paul Hall

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
3. The following modifications to your plugging program are to be made:
 - a) Place the Pictured Cliffs/Fruitland plug from 1690' – 1279' inside and outside the 4 ½" casing.

Note: The Ojo Alamo is not present in this well, therefore the plug @ 1000' – 850' is unnecessary.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.