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

FEB 10 2011

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

Bureau of Land Management  
Farmington Field Office5. Lease Serial No.  
NOG09051759

1a. Type of Well ☐ Oil Well ☐ Gas Well ☐ Dry ☒ Other: CBM  
 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 CA Agreement Name and No.  
NMNM112624

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

8. Lease Name and Well No.  
MARTINEZ BEGAY COM 1

3. Address  
FARMINGTON, NM 874990420

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

9. API Well No.  
30-045-34983-00-S1

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

At surface SESE Lot P 1200FSL 1000FEL 36.26631 N Lat, 107.88716 W Lon

At top prod interval reported below SESE Lot P 1200FSL 1000FEL 36.26631 N Lat, 107.88716 W Lon

At total depth SESE Lot P 1200FSL 1000FEL 36.26631 N Lat, 107.88716 W Lon

10. Field and Pool, or Exploratory  
BASIN FRUITLAND COAL

11. Sec., T., R., M., or Block and Survey  
or Area Sec 34 T24N R10W Mer NMP

12. County or Parish  
SAN JUAN

13. State  
NM

14. Date Spudded  
07/23/2010

15. Date T.D. Reached  
07/29/2010

16. Date Completed  
☐ D & A ☒ Ready to Prod.  
02/02/2011

17. Elevations (DF, KB, RT, GL)\*  
6721 GL

18. Total Depth: MD 1335  
TVD

19. Plug Back T.D.: MD 1280  
TVD

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	127		90	22	0	
7.875	5.500 J-55	15.5	0	1327		210	69	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	1206							

## 25. Producing Intervals

## 26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) FRUITLAND COAL	1138	1158	1138 TO 1158	0.300	80	OPEN TO PRODUCE
B)						
C)						
D)						

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

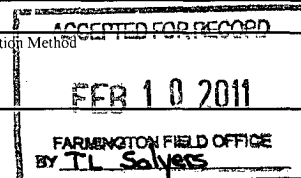
Depth Interval	Amount and Type of Material
1138 TO 1158	500 GALLONS 15% HCL

## 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	02/01/2011	24	→	0.0	25.0	55.0			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	95.0	→	0	25	55		DSI	

## 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 #102227 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

NMOC

OIL CONS. DIV.  
DIST. 3

## 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 KIRTLAND FRUITLAND PICTURED CLIFFS	318 410 793 1164

## 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 #102227 Verified by the BLM Well Information System.**  
**For DUGAN PRODUCTION CORPORATION, sent to the Farmington**  
**Committed to AFMSS for processing by TROY SALYERS on 02/10/2011 (11TS0040SE)**

Name (please print) JOHN C ALEXANDERTitle VICE-PRESIDENTSignature (Electronic Submission)Date 02/08/2011

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 \*\***