

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505	Form C-105 Revised June 10, 2003 WELL API NO. 30-045-32630 5. Indicate Type of Lease STATE ☒ FEE ☐ State Oil & Gas Lease No. B-11571
--	---	---

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well: OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐ b. Type of Completion: NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. ☐ WELL OVER BACK RESVR. ☐ OTHER ☐ 2. Name of Operator Dugan Production Corp. 3. Address of Operator P. O. Box 420, Farmington, NM 87499-0420 (505)325-1821 4. Well Location Unit Letter <u>J</u> <u>1680</u> Feet from the <u>South</u> Line and <u>2270</u> Feet from the <u>East</u> Line Section <u>16</u> Township <u>32N</u> Range <u>12W</u> NMPM San Juan County 10. Date Spudded 3/11/05 11. Date T.D. Reached 3/26/05 12. Date Compl. (Ready to Prod.) 4/15/05 13. Elevations (DF& RKB, RT, GR, etc.) 6007' GL 14. Elev. Casinghead 15. Total Depth 5030' 16. Plug Back T.D. 4986' 17. If Multiple Compl. How Many Zones? 18. Intervals Drilled By 0-4750 Rotary Tools Cable Tools NA 19. Producing Interval(s), of this completion - Top, Bottom, Name 4620'-4780' (Mesaverde) 20. Was Directional Survey Made NO 21. Type Electric and Other Logs Run GR-CCL-Litho Density-CN-Array Induction 22. Was Well Cored NO	Lease Name or Unit Agreement Name State, Com 8. Well No. 1C 9. Pool name or Wildcat Blanco Mesaverde (72319)
--	---

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9-5/8"	36# J-55	232'	12 1/4"	180 sx Class "B" neat w/	2% CaCl2 w/1/4# celloflake/sx
4 1/2"	10.5# J-55	5028'	7-7/8"	Total slurry	2079 cu ft

24. LINER RECORD				25. TUBING RECORD			
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	4647'	

26. Perforation record (interval, size, and number) 4620',35',42',50',58', 60',62',64',66',68',70',72',74',76',78',80',82',96',4714',16',18', 20',22',24',26',28',30',36',43', 45',47',49',51',70',80' w/1 jspf (total 35 holes)	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> </thead> <tbody> <tr> <td>4620'-4780'</td> <td>1750 gals 15% HCL; 3,525 bbls slickwater;</td> </tr> <tr> <td> </td> <td>90,000# 20/40 sand</td> </tr> </tbody> </table>	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED	4620'-4780'	1750 gals 15% HCL; 3,525 bbls slickwater;		90,000# 20/40 sand
DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED						
4620'-4780'	1750 gals 15% HCL; 3,525 bbls slickwater;						
	90,000# 20/40 sand						

28. PRODUCTION

Date First Production	Production Method (Flowing, gas lift, pumping - Size and type pump)	Well Status (Prod. or Shut-in)
N/A	Flowing	Shut-in
Date of Test	Hours Tested	Choke Size
4/16/05	2 hrs	3/4"
Prod'n For Test Period	Oil - Bbl	Gas - MCF
0	0	317
Water - Bbl.	Gas - MCF	Water - Bbl.
0	3800	0
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate
250	700	0
Oil - Bbl.	Gas - MCF	Water - Bbl.
0	3800	0
Oil Gravity - API - (Corr.)		

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
 Vented - to be sold

30. List Attachments

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Signature <i>John Alexander</i>	Printed Name John Alexander	Title Vice-President	Date April 18, 2005
E-mail Address johnalexander@duganproduction.com			

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo 535'	T. Penn. "B"
T. Salt	T. Strawn	T. Kirtland- 597'	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs 2158'	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House 4085'	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee 4178'	T. Madison
T. Queen	T. Silurian	T. Point Lookout 4598'	T. Elbert
T. Grayburg	T. Montoya	T. Mancos 4888'	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T. Fruitland 1757'
T. Blinebry	T. Gr. Wash	T. Morrison	T. Lewis 2440'
T. Tubb	T. Delaware Sand	T. Todilto	T.
T. Drinkard	T. Bone Springs	T. Entrada	T.
T. Abo	T.	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....No. 3, from.....to.....
No. 2, from.....to.....No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
No. 2, from.....to.....feet.....
No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

[illegible]