

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993**SUNDRY NOTICES AND REPORTS ON WELLS**Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals**SUBMIT IN TRIPLICATE**

1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5 Lease Designation and Serial No NM 0103893
2. Name of Operator Dugan Production Corp.		6. If Indian, Allotted or Tribe Name
3 Address and Telephone No. P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821		7 If Unit or CA, Agreement Designation
Location of Well (Footage, Sec., T., R., M., or Survey Description) 1980' FWL & 2080' FSL (Unit K) NE/4 SW/4, Sec. 24, T9S, R37E, NMPM		8. Well Name and No. Allied 93 #3
		9. API Well No. 30 025 24681
		10. Field and Pool, or Exploratory Area Sawyer (San Andres)
		11. County or Parish, State Lea, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION		TYPE OF ACTION	
<input type="checkbox"/>	Notice of Intent	<input checked="" type="checkbox"/>	Abandonment
<input checked="" type="checkbox"/>	Subsequent Report	<input type="checkbox"/>	Recompletion
<input type="checkbox"/>	Final Abandonment Notice	<input type="checkbox"/>	Plugging Back
		<input type="checkbox"/>	Casing Repair
		<input type="checkbox"/>	Altering Casing
		<input type="checkbox"/>	Other _____
		<input type="checkbox"/>	Change of Plans
		<input type="checkbox"/>	New Construction
		<input type="checkbox"/>	Non-Routine Fracturing
		<input type="checkbox"/>	Water Shut-Off
		<input type="checkbox"/>	Conversion to Injection
		<input type="checkbox"/>	Dispose Water

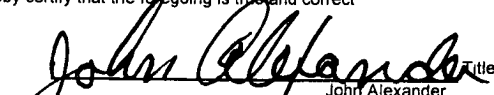
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Tubing stuck. Unable to work free. Back off tubing @ 2556'. Pulled free tubing. Screwed back on to tubing. Unable to pump into well. Call BLM Wesley Ingram. Got approval to start plugging. Unscrewed tubing. Pulled 2556' of tubing. Perforated @ 2550'. Ran packer to 2500'. Unable to pump into perforated zone. Call BLM. Spot 25 sx @ 2556'. Wait on cement. Tagged cement @ 2236'. Circulated plugging mud. Perforated @ 1200'. Ran tubing to 1250'. Pressured up on casing, held 800 psi. Spot 25 sx. Cement at 1250'. Tagged cement @ 904'. Perforated @ 466'. Pumped 35 sx cement into perforated interval. Tagged @ 350'. Perforate @ 60'. Circulate 25 sx to surface. ND BOP. NU wellhead. Dig out cellar. Cut off wellhead. Install P&A marker. Job complete 8/8/07

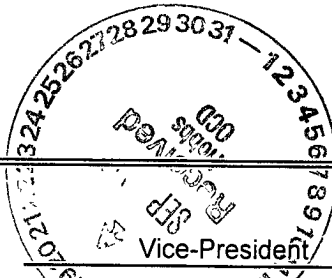
14 I hereby certify that the foregoing is true and correct

Signed



John Alexander

John Alexander



Vice-President

Date

8/29/2007

(This space for Federal or State office use)

Approved by **/S/ DAVID R. GLASS**

PETROLEUM ENGINEER

Date

SEP 14 2007

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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

GWW

*See Instruction on Reverse Side