

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT(Other instructions on
reverse side)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1. a. TYPE OF WELL:

OIL
WELL ☐GAS
WELL ☒DRY ☐OTHER ☐

b. TYPE OF COMPLETION:

NEW
Well ☒WORK
OVER ☐DEEP-
EN ☐PLUG
BACK ☐DIFF.
CENTR. ☐OTHER ☐

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325-1821

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface 660' FSL & 660' FEL (SE/4 SE/4)

At top prod. interval reported below same

At total depth same

14. PERMIT NO. DATE ISSUED

15. DATE SPUDDED

1/19/2004

16. DATE T.D. REACHED

1/22/2004

17. DATE COMPL.

(Ready to prod.)

6/10/2004

18. ELEVATIONS (OF, RKB, RT, GR, ETC.)*

660' 6218' GL

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

1420'

21. PLUG BACK T.D., MD & TVD

1366'

22. IF MULTIPLE COMPL.,
HOW MANY*23. INTERVALS
DRILLED BY

ROTARY TOOLS

TD

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)*

1202'-1258' (Fruitland Coal)

no

25. TYPE ELECTRIC AND OTHER LOGS RUN

GR-CCL-CNL

27. WAS WELL CORED

no

28

CASING RECORD (Report all strings set in well)

| CASING SIZE/GRADE | WEIGHT, LB./FT. | DEPTH SET (MD) | HOLE SIZE | TOP OF CEMENT, CEMENTING RECORD | AMOUNT PULLED |
|-------------------|-----------------|----------------|-----------|------------------------------------------------------------------------|---------------|
| 7" J-55 | 23# | 125' | 8-3/4" | 50 ex Class "B" neat w/2% CaCl2 | |
| 4-1/2" J-55 | 10.5# | 1412' | 6-1/4" | 65 ex 3% Lodense w/3% Gilsomite/sx. w/1/4# celloflake/sx. Tail w/50 ex | |
| | | | | Class "B" neat w/1/4# celloflake/sx. | |
| | | | | 242 cu ft total | |

29. LINER RECORD

| SIZE | TOP (MD) | BOTTOM (MD) | SACKS CEMENT* | SCREEN (MD) | SIZE | DEPTH SET (MD) | PACKER SBT (MD) |
|------|----------|-------------|---------------|-------------|--------|----------------|-----------------|
| | | | | | 2-3/8" | 1287' | |

31. PERFORATION RECORD (Interval, size and number)

1202'-06'; 1217'-36'; 1242'-48'; 1250'-58' w/ 4 spf
total 148 holes

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

| DEPTH INTERVAL (MD) | AMOUNT AND KIND OF MATERIAL USED |
|---------------------|----------------------------------------|
| 1202'-1258' | 600 gal. 15% HCL; 56,000# Brady sand; |
| | 14,000# Resin coated sand; 40,400 gals |
| | AmBor Max 1020 gel. |

33.*

PRODUCTION

| DATE FIRST PRODUCTION | | PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) | | | | WELL STATUS (Producing or shut in) | |
|-----------------------|-----------------|------------------------------------------------------------------------|-----------------------|------------|--------------|------------------------------------|-----------------|
| N/A | | flowing | | | | shut-in | |
| DATE OF TEST | HOURS TESTED | CHOKE SIZE | PRODN FOR TEST PERIOD | OIL - BBL. | GAS - MCF. | WATER - BBL. | GAS - OIL RATIO |
| 6/10/2004 | 24 | 2" | → | 0 | 50 (est) | 100 | N/A |
| FLOW. TUBING PRESS. | CASING PRESSURE | CALCULATED 24 - HOUR RATE | OIL - BBL. | GAS - MCF. | WATER - BBL. | OIL GRAVITY - API (CORR.) | |
| 10 | 120 | → | 0 | 50 (est) | 100 | N/A | |

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

vented - to be sold

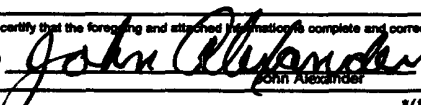
TEST WITNESSED BY

ACCEPTED FOR RECORD

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED



Title Vice-President

Date

JUN 18 2004

FARMINGTON FIELD OFFICE

*(See Instructions and Spaces for Additional Data on Reverse Side)

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.

NMOC

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof: cored intervals; and all drill-stem, tests, including depth interval tested on used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

| FORMATION | TOP | BOTTOM | DESCRIPTION, CONTENTS, ETC. | NAME | TOP | |
|-----------|-----|--------|-----------------------------|-----------------|-------------|---------------------|
| | | | | | MEAS. DEPTH | TRUE VERT. DEPTH |
| | | | | Kirtland | 124' | |
| | | | | Fruitland | 850' | |
| | | | | Pictured Cliffs | 1259' | |
| | | | | TOTAL DEPTH | 1420' | |