

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

JUN 17 2011

FORM APPROVED  
OMB No. 1004-0137  
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. NM 29560

6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1 Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

7 If Unit of CA/Agreement, Name and/or No

8 Well Name and No.

Jeffers Federal 2 #23

2. Name of Operator

Dugan Production Corp.

9. API Well No

30-045-24439

3a. Address

PO Box 420  
Farmington, NM 87499

3b. Phone No. (include area code)

505-325-1821

10. Field and Pool or Exploratory Area

Fruitland Basin Coal

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

K Sec 02, T 23N, R 08W 1750' FSL 1650' FWL

11. Country or Parish, State

San Juan

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

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☐ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

Complete Fruitland  
Coal

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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Operator plans to complete the Fruitland Coal at approximately 1796' - 1804' in this well and downhole commingle with the existing Gallup Formation Completion. A C-102 for the Basin Fruitland Coal is attached. The Communitization Agreement is pending.

RCVD JUN 17 '11  
OIL CONS. DIV.  
DIST. 3

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)

John C. Alexander

Title Vice-President

Signature

*John Alexander*

Date 06/16/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

JUN 17 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

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

(Instructions on page 2)

NMOCD

*AV*

JUN 17 2011

Form C-102  
Revised 10-1-78

All distances must be from the corner hereafter of the Section.

Operator Dugan Production Corp.		Lease JEFFERS-FEDERAL 2		Farrington Field Bureau of Land Management	
Unit Letter K	Section 2	Township 23N	Range 8W	County San Juan	
Actual Surface Location of Well:					
1750	feet from the	South	1650	feet from the	West
Ground Level Elev. 6988	Producing Formation Fruitland Coal		Pool Basin	Dedicated Acreage: 320	

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Communitization (Pending)

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.

<p>RECEIVED</p> <p>MAY 16 1993</p> <p>U. S. GEOLOGICAL SURVEY FARRINGTON, N. M.</p>		Sec.	
		2	
V-7843	NM 29560	V-7843	

3000 1500 1000 500 0

CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

John Alexander

Name  
*John Alexander*

Position  
Vice-President

Company  
Dugan Production Corp.

Date  
06/17/2011

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

April 29, 1980

Registered Professional Engineer and/or Licensed Surveyor

*Fred B. Kerr Jr.*  
Fred B. Kerr Jr.

Certificate No.

3950