

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB NO. 1004-0135
Expires July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS** JUL 11 2011
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

Bureau of Land Management

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well ☐ Oil Well ☐ Gas Well ☒ Other. COAL BED METHANE		5. Lease Serial No NMNM96800
2. Name of Operator DUGAN PRODUCTION CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address FARMINGTON, NM 87499		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No (include area code) Ph: 505-325-1821		8. Well Name and No HOSS COM 95
4. Location of Well (Footage, Sec., T, R., M, or Survey Description) Sec 12 T23N R11W NWSE 1700FSL 1700FEL 36.238410 N Lat, 107.952200 W Lon		9. API Well No 30-045-34537-00-X1
		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
		11. County or Parish, and State SAN JUAN COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
☐ Notice of Intent	☐ Acidize
☒ Subsequent Report	☐ Deepen
☐ Final Abandonment Notice	☐ Fracture Treat
	☐ New Construction
	☐ Plug and Abandon
	☐ Plug Back
	☐ Production (Start/Resume)
	☐ Reclamation
	☐ Recomplete
	☐ Temporarily Abandon
	☐ Water Disposal
	☐ Water Shut-Off
	☐ Well Integrity
	☒ Other Drilling Operations

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/BLA Required subsequent reports shall 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 shall be filed once testing has been completed Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection)

Drilled to TD @ 900' on 6-30-11. Run 5-1/2" 15.5# J-55 casing in 7-7/8" hole. Land @ 886' float collar @ 843'. Cement w/60 sx Premium Life FM w/3% CaCl₂, 1/4# celloflake, 5#/sx LCM, 0.4% FL-52, 8% Bentonite & 0.4% Sodium Metasilicate. Tail w/70 sx Type III cement w/1# sx CaCl₂, 1/4# celloflake/sx, 0.2% FL-52 (226 cu ft total slurry). Displace w/20 bbls water. Circulate 4 bbls cement to surface. Rig released 7-01-11.



14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #112146 verified by the BLM Well Information System For DUGAN PRODUCTION CORPORATION, sent to the Farmington Committed to AFMSS for processing by TROY SALYERS on 07/11/2011 (11TLS0207SE)	
Name (Printed/Typed) JOHN C ALEXANDER	Title VICE-PRESIDENT
Signature (Electronic Submission)	Date 07/01/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By	ACCEPTED	TROY SALYERS Title PETROLEUM ENGINEER	Date 07/11/2011
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 Farmington	

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

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

NMOCD A