

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO 1004-0135
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.
NMNM10561

6 If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1 Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: COAL BED METHANE8 Well Name and No
BIG FIELD 91S

2. Name of Operator

Contact: RODGER V MULLINS

DUGAN PRODUCTION CORPORATION

Email: rodger.mullins@duganproduction.com

9 API Well No

30-045-32483-00-S1

3a Address

FARMINGTON, NM 87499

3b Phone No. (include area code)

Ph: 505-325-1821

10 Field and Pool, or Exploratory
BASIN FRUITLAND COAL

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

Sec 10 T30N R14W SWNW 2025FNL 830FWL

11 County or Parish, and State

SAN JUAN COUNTY, NM

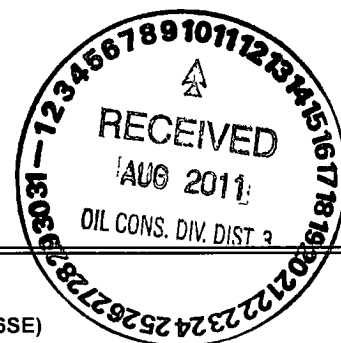
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Drilling Operations
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 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.)

On 06/25/2011 a BLM ranger discovered produced water being released on the ground at the Big Field #91S. The BLM notified our company of the spill. The well operator responded and shut down the well. We were unable to recover any water as it was very shallow and dried up quickly. Contaminated area consisted of approximately a twenty foot wide path from the wellhead to the west edge of the location. Water then ran off location into a narrow wash for approximately thirty yards. The water did not make contact with vegetation. The source of release was a loose polish rod liner. The well operator was on the location on 06/24/11 and found no problems. The volume of release is estimated at five barrels.

File a NMOC C44 with analytical results to all required agencies



14. Thereby certify that the foregoing is true and correct

Electronic Submission #112038 verified by the BLM Well Information System
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by STEVE MASON on 08/09/2011 (11SXM0566SE)

Name (Printed/Typed) RODGER V MULLINS

Title ENVIRONMENTAL

Signature (Electronic Submission)

Date 06/30/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By BILL LIESS

Title EP/ROW

Date 06/30/2011

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 ******NMOC**