

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
NMNM100808

6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.7. If Unit or CA/Agreement, Name and/or No
NMNM119013

1 Type of Well

☐ Oil Well ☐ Gas Well ☒ Other COAL BED METHANE8. Well Name and No
PHOEBE COM 90

2. Name of Operator

DUGAN PRODUCTION CORPORATION
Contact: JOHN C ALEXANDER
Email: johncalexander@duganproduction.com9 API Well No.
30-045-34053-00-S1

3a Address

FARMINGTON, NM 87499

3b Phone No (include area code)
Ph: 505-325-182110 Field and Pool, or Exploratory
BASIN FRUITLAND COAL

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

Sec 22 T24N R10W NWNW 800FNL 800FWL

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 checked="" 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 type="checkbox"/> Other
	<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.)

RCVD OCT 25 '11

Last production date: April 2010

Well was not making any fluid or gas and pumping unit engine was not able to run on produced gas. Shot fluid level and ran dynamometer cards. Fluid level was at 1441' (@ pump) with casing pressure @ 42 psig. No change during fluid level shots. Dynamometer cards showed the well was pumped off. Production during the tst was 0 mcf/d + 17 bwppd. Pumping unit fueled by propane.

OIL CONS. DIV.

Return to production: September 13, 2011

DIST. 3

Decided to try chemical treatment to stimulate the well. Pulled rods and pump out of well. Pumped 1000 gallons of 15% HCl with 11 gallons of Ferrotrol (Iron Control), 4 gallons of CI-27 (Corrosion Inhibitor), and 7 gallons of Surfactant. Followed by 3,000 gallons of EZ-Clean nitrified fluid @ 5.3 bpm with N2 @ 5,000 CFM. Flushed with 1,020 gallons fresh water to the top perf @ 5.2 bpm & 831 psi. ISIP 400 psig. Pressure after 15 minutes: 185 psig, 30 minutes: 0 psig. Shut in

14 Thereby certify that the foregoing is true and correct.

Electronic Submission #120724 verified by the BLM Well Information System
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by STEVE MASON on 10/20/2011 (11SXM0588SE)

Name (Printed/Typed) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 10/19/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

ACCEPTED

STEPHEN MASON
Title PETROLEUM ENGINEER

Date 10/20/2011

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 **

NMOCDA

Additional data for EC transaction #120724 that would not fit on the form

32. Additional remarks, continued

overnight. Ran rods & pump on 9/13/11 and return to production.

Test: September 29, 2011

Fluid level was at 1380' (61' above pump) with casing pressure @ 4 psig. No change during fluid level shots 135 bwpd + 6 mcf. Pump unit engine is running on produced gas.