

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
NMNM6680

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

1 Type of Well

☐ Oil Well ☐ Gas Well ☒ Other COAL BED METHANE8 Well Name and No
LOMBARDO COM 1

2 Name of Operator

DUGAN PRODUCTION CORPORATION

Contact JOHN C ALEXANDER

Email johncalexander@duganproduction.com

9 API Well No
30-043-21107-00-X1

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 29 T22N R7W SWSW 850FSL 990FWL
36.105320-N Lat, 107.604420 W Lon

11 County or Parish, and State

SANDOVAL 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Drilling Operations
	<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 recompleate 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 recompleation 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.)

Pressure test casing to 3000 psi for 30 mins, held ok. Run GR-CCL-CNL logs. Perforate (9/20/11) Fruitland Coal from 808'-822' w/4 spf (total 14', 56 holes, 0.32" id). Acidized w/400 gals 15% HCL. Frac w/39,590 gals gel, 58,000# 20/40 sand (12/2/11). Ran 2-3/8" 4.7# J-55 tbg on 12/7/11. Landed @ 880', SN @ 843'.

RCVD DEC 27 '11
OIL CONS. DIV.

DIST. 3

14 I hereby certify that the foregoing is true and correct

Electronic Submission #126300 verified by the BLM Well Information System
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by SHEA VALDEZ on 12/21/2011 (12SCV0034SE)

Name (Printed/Typed) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 12/20/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By	ACCEPTED	SHEA VALDEZ Title ENGINEER	Date 12/21/2011
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.

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NMOCD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED

OMB No. 1004-0137

Expires July 31, 2010

RECEIVED

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5 Lease Serial No.
NMNM6680 DEC 21 2011

1a Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input checked="" type="checkbox"/> Other CBM		6 If Indian, Allottee or Tribe Name	
b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff Resvr Other _____		7 Unit or CA Agreement Name and No. Bureau of Land Management Farmington Field Office	
2 Name of Operator DUGAN PRODUCTION CORPORATION		8 Lease Name and Well No LOMBARDO COM 1	
3 Address FARMINGTON, NM 87499		9 API Well No 30-043-21107-00-S1	
4 Location of Well (Report location clearly and in accordance with Federal requirements)* Sec 29 T22N R7W Mer NMP At surface SWSW 850FSL 990FWL 36.105320 N Lat, 107.604420 W Lon At top prod interval reported below At total depth		10 Field and Pool, or Exploratory BASIN FRUITLAND COAL	
14 Date Spudded 07/06/2011		15 Date T D Reached 07/12/2011	
16 Date Completed 12/07/2011		17 Elevations (DF, KB, RT, GL)* 6649 GL	
18 Total Depth MD TVD 1020		19 Plug Back T D MD TVD 970	
20 Depth Bridge Plug Set MD TVD		21 Type Electric & Other Mechanical Logs Run (Submit copy of each) GR-CNL-CCL	
22 Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)		23 Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)	
24 Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)		25 Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)	

23 Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt (#/ft)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No of Sks & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12 250	8.625 J-55	24 0	128			123			
7.875	5.500 J-55	15.5	1012			157			

24 Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 375	880							

25 Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No Holes	Perf. Status
A) FRUITLAND COAL	808	822	808 TO 822	0 320	45	
B)						
C)						
D)						

27 Acid, Fracture, Treatment, Cement Squeeze, Etc

Depth Interval	Amount and Type of Material
808 TO 822	400 GALS 15% HCL, 39,590 GALS GEL, 58,000# 20/40 SAND

28 Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
A	12/08/2011	8	→	0 0	20 0	33 0			FLows FROM WELL
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
2	0	230 0	→	0	60	99		GSI	

28a Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
			→						
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
			→						

(See Instructions and spaces for additional data on reverse side)
ELECTRONIC SUBMISSION #126259 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

NMOCD

DEC 21 2011
FARMINGTON FIELD OFFICE
BY

28b Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
			→						
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr API	Gas Gravity	Production Method
			→						
Choke Size	Tbg Press Flwg SI	Csg Press	24 Hr Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
			→						

29 Disposition of Gas(Sold, used for fuel, vented, etc)
VENTED

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31 Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc	Name	Top
					Meas. Depth
				NACIMIENTO	0'
				OJO ALAMO	158
				KIRTLAND	253
				FRUITLAND	501
				PICTURED CLIFFS	825

32 Additional remarks (include plugging procedure)

33 Circle enclosed attachments

- | | | | |
|--|-------------------|--------------|-----------------------|
| 1 Electrical/Mechanical Logs (1 full set req'd) | 2 Geologic Report | 3 DST Report | 4. Directional Survey |
| 5 Sundry Notice for plugging and cement verification | 6 Core Analysis | 7 Other | |

34 I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)

Electronic Submission #126259 Verified by the BLM Well Information System.
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by SHEA VALDEZ on 12/21/2011 (12SCV0037SE)

Name (please print) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 12/19/2011

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** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED ** REVISED **