Form 3160-5 (June 1990)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31,1993

5. Lease Designation and Serial No. NM 56311

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. 6. If Indian, Allotted or Tribe Name Use "APPLICATION FOR PERMIT -" for such proposals SUBMIT IN TRIPLICATE 7. If Unit or CA, Agreement Designation 1. Type of Well Well Well 2. Name of Operator 8. Well Name and No. Dugan Production Corp. Billary #90 3. Address and Telephone No. 9. API Well No. (505) 325 - 1821 P.O. Box 420, Farmington, NM 87499 30 045 30248 Location of Well (Footage, Sec., T., R., M., or Survey Description) 10. Field and Pool, or Exploratory Area 1280' FSL & 1130' FWL (SW/4 SW/4) Basin Fruitland Coal Unit M, Sec. 31, T25N, R8W 11. County or Parish, State San Juan, NM 12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTIC REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans П Recompletion **New Construction** Subsequent Report П Plugging Back Non-Routine Fracturing П Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection X Other Dispose Water Completion (Note: Report results of multiple completion on Well

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Pressure test casing to 3500#, held. Run GR-CCL logs. Perforate Fruitland Coal from 1962'-1972' w/4 spf (total 40 holes). Acidize w/500 gals 15% HCL. Frac w/40,660# 20/40 Brady sand; 31,500 gals AquaSafe X-20 gel.

1972' 500 RECEIVED FARMINGTON HA

Completion or Recompletion Report and Log form.)

14. I hereby certify that the foregoing is true and correct

Signed Vice-President Date 06/24/2005

(This space followers) Title Date Date JUL 0.5. 2005

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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 statement or representations as to any matter within its jurisdiction.