

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM 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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: COAL BED METHANE		5. Lease Serial No. NMSF078860
2. Name of Operator DUGAN PRODUCTION CORPORATION Contact: ALIPH REENA Email: aliph.reena@duganproduction.com		6. If Indian, Allottee or Tribe Name
3a. Address FARMINGTON, NM 87499	3b. Phone No. (include area code) Ph: 505-325-1821	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 24 T24N R9W NESE 1850FSL 790FEL 36.297639 N Lat, 107.734571 W Lon		8. Well Name and No. LARGO FEDERAL B 91
		9. API Well No. 30-045-31407-00-S1
		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			
<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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 recomplete 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 recompletion 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.)

Plugged and abandoned the well (2/25/13) as per the following procedure:

- 1) Tag retainer @ 1729'. Test casing to 600 psi. Didn't test.
- 2) Ran CBL from 1729' to surface. TOC from CBL @ 554' from surface.
- 3) Set Plug I above retainer @ 1729' w/63 sks Class B neat (74.3 cu ft).
- 4) Tag TOC @ 838' from surface (Plug I: 838'-1729').
- 5) Perforate @ 175'.
- 6) Set surface plug w/48 sks Class B w/2% CaCl2 (56.7 cu ft). Circulate cement to surface.
- 7) WOC. Tag TOC inside casing @ 64' from surface. Cut wellhead down. TOC inside annulus at surface.
- 8) Top off cement w/20 sks Class B neat, 80.2 cu ft total slurry for surface plug (68 sks) (Plug II: 0-175').

RCVD MAR 7 '13
OIL CONS. DIV.
DIST. 3

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

**Electronic Submission #200583 verified by the BLM Well Information System
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by STEVE MASON on 03/05/2013 (12SXM0321SE)**

Name (Printed/Typed) ALIPH REENA

Title PRODUCTION ENGINEER

Signature (Electronic Submission)

Date 03/04/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By **ACCEPTED**

Title STEPHEN MASON
PETROLEUM ENGINEER

Date 03/05/2013

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.

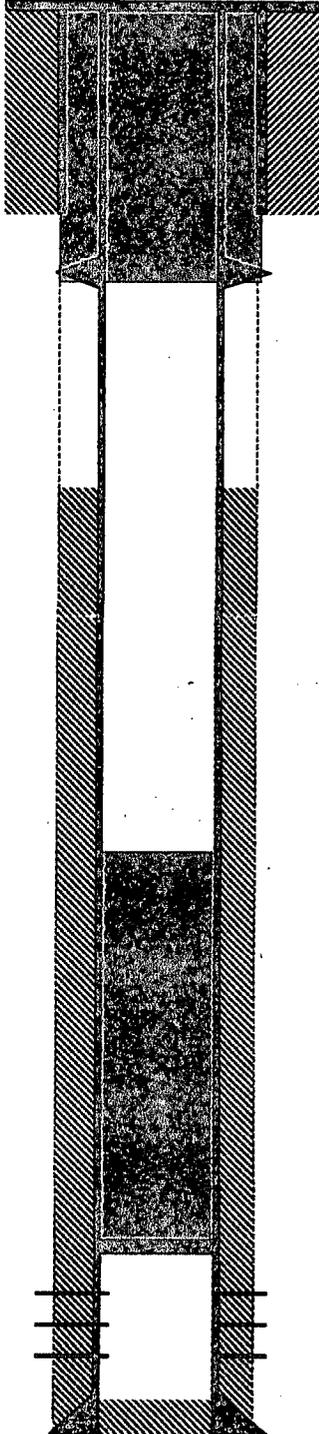
Office Farmington

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 ****

P & A Final Schematic

Largo Federal B # 91
300-45-31407
1850' FSL & 790' FEL
S24 T24N R9W



7" J-55 23# casing @ 125'

Perforate @ 175'. Spot plug w/ 48 sks Class B (56.7 cu.ft)
w/ 2% CaCl₂ from 175' to surface. Cement circulated to
surface. Topped off with 20 sks Class B neat cement.
Plug II - 0' to 175'

TOC @ 554' from CBL

Cement Retainer @ 1729'. Set Inside Plug @ 1619' with 63 sks
(74.3 cu.ft) Class B neat. Tag TOC @ 838'.
(Plug I - 838'-1729')

Fruitland Coal Perforated @ 1764' - 1776'

4 1/2" 9.5 # casing @ 1913'. PBTD @ 1870'.