

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input checked="" type="checkbox"/> Other: CBM		5. Lease Serial No. NMNM78060
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 _____		6. If Indian, Allottee or Tribe Name EASTERN NAVAJO
2. Name of Operator DUGAN PRODUCTION CORPORATION		7. Unit or CA Agreement Name and No. NMNM112657
Contact: JOHN C ALEXANDER Email: johncalexander@duganproduction.com		8. Lease Name and Well No. ST MORTIZ COM 90
3. Address FARMINGTON, NM 874990420	3a. Phone No. (include area code) Ph: 505-325-1821	9. API Well No. 30-045-35282-00-S1
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface SESW 980FSL 1880FWL 36.280310 N Lat, 107.868410 W Lon At top prod interval reported below SESW 980FSL 1880FWL 36.280310 N Lat, 107.868410 W Lon At total depth SESW 980FSL 1880FWL 36.280310 N Lat, 107.868410 W Lon		10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
14. Date Spudded 08/07/2013		11. Sec., T., R., M., or Block and Survey or Area Sec 26 T24N R10W Mer NMP
15. Date T.D. Reached 08/14/2013		12. County or Parish SAN JUAN
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 11/21/2013		13. State NM
17. Elevations (DF, KB, RT, GL)* 6758 GL		
18. Total Depth: MD 1407 TVD 1407	19. Plug Back T.D.: MD 1350 TVD 1350	20. Depth Bridge Plug Set: MD TVD
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) GR-CCL-CNL GR-CCL-CNL		22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) 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 Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	8.625 J-55	24.0		131		97			
12.250	8.625 J-55	24.0		131		97			
7.875	5.500 J-55	15.5		1394		174			

RCU DEC 26 '13
OIL CONS. DIV.
DIST. 3

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	1269		2.375	1269				

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) FRUITLAND COAL	1206	1226	1206 TO 1226		80	
B)			1206 TO 1226		80	
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
1206 TO 1226	500 GALS 15% HCL; 79,000# SAND; 495 BBLs FLUID; 421,000 SCF N2
1206 TO 1226	500 GALS 15% HCL; 79,000# 2SAND; 495 BBLs BLUID; 421 MSCF N2

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	11/22/2013	24	→	0.0	25.0	65.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
2	SI 0	150.0	→	0	25	65		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
B	11/22/2013	24	→	0.0	25.0	65.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
2"	SI 0	150.0	→	0	25	65		GSI	

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #230166 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED DEC 23 2013

NMOCDA

William Tambekou

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.)
FLARED

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	380
				KIRTLAND	526
				FRUITLAND	926
				PICTURED CLIFFS	1308

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 #230166 Verified by the BLM Well Information System.
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by WILLIAM TAMBEKOU on 12/23/2013 (14WMT0068SE)

Name (please print) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 12/19/2013

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.

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