Form 3160-4
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. NMNM019411

1a. Type of Well ☐ Oil Well ☐ Gas Well ☐ Dry ☒ Other: CBM
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No. NMNM110404

2. Name of Operator DUGAN PRODUCTION CORPORATION Contact: JOHN C ALEXANDER E-Mail: johncalexander@duganproduction.com

8. Lease Name and Well No. FEDERAL B COM 91

3. Address P.O. 420 FARMINGTON, NM 87499

3a. Phone No. (include area code) Ph: 505-325-1821

9. API Well No. 30-045-35232-00-X1

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface NESW 1355FSL 2040FWL 36.765300 N Lat, 108.033830 W Lon

At top prod interval reported below NESW 1355FSL 2040FWL 36.765300 N Lat, 108.033830 W Lon

At total depth NESW 1355FSL 2040FWL 36.765300 N Lat, 108.033830 W Lon

10. Field and Pool, or Exploratory BASIN FRUITLAND COAL

11. Sec., T., R., M., or Block and Survey or Area Sec 31 T30N R11W Mer NMP

12. County or Parish SAN JUAN

13. State NM

14. Date Spudded 06/04/2014

15. Date T.D. Reached 06/15/2014

16. Date Completed ☐ D & A ☒ Ready to Prod. 09/22/2014

17. Elevations (DF, KB, RT, GL)* 5871 GL

18. Total Depth: MD 2223 TVD 2223

19. Plug Back T.D.: MD 2142 TVD 2142

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? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☒ No ☐ 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		126		93			
7.875	5.500 J-55	15.5		2183		370			

OIL CONS. DIV DIST. 3
OCT 21 2014

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	2088							

25. Producing Intervals / 26. Perforation Record

	Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A)	FRUITLAND COAL	1941	2030	1941 TO 1950		40	
B)				2008 TO 2030		92	
C)							
D)							

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

Depth Interval	Amount and Type of Material
1941 TO 2030	1000 GALS 15% HCL ACID; 130,000# SAND; 776 BBLS FLUID; 801 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	09/19/2014	24	→	0.0	22.0	10.0			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"	18 18	150.0	→	0	22	10		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
			→					

ACCEPTED FOR RECORD
OCT 17 2014
FARMINGTON FIELD OFFICE
BY: William Tambekou

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

ELECTRONIC SUBMISSION #266037 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NMOCD

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	688
				KIRTLAND	787
				FRUITLAND	1661
				PICTURED CLIFFS	2063

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 #266037 Verified by the BLM Well Information System.
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by WILLIAM TAMBEKOU on 10/17/2014 (15WMT0019SE)

Name *(please print)* JOHN C ALEXANDER Title VICE-PRESIDENT

Signature (Electronic Submission) Date 09/25/2014

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 fradulent statements or representations as to any matter within its jurisdiction.

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