

Expires: February 28, 1995

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT(Other instructions on
reverse side)

5. LEASE DESIGNATION AND SERIAL NO.

NM-0206994

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1.a. TYPE OF WELL:

OIL
WELL ☐GAS
WELL ☒DRY ☐OTHER ☐

b. TYPE OF COMPLETION:

NEW
Well ☒WORK
OVER ☐DEEP-
EN ☐PLUG
BACK ☐2006 NOV 17 PM 4 58
RECEIVED
070 FARMINGTON NMCENTR. ☐ OTHER ☐

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface 1915' FNL & 1920' FWL (SE/4 NW/4)

At top prod. interval reported below

same

At total depth

same

14. PERMIT NO.

DATE ISSUED

12. COUNTY OR PARISH

13. STATE

San Juan

NM

15. DATE SPUDDED

7/12/2006

16. DATE T.D. REACHED

7/17/2006

17. DATE COMPL.

(Ready to prod.)

10/24/2006

18. ELEVATIONS (OF, RKB, RT, GR, ETC.)*

5494' GL

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

1380'

21. PLUG BACK T.D., MD & TVD

1332'

22. IF MULTIPLE COMPL.,

HOW MANY*

2 (DHC-2344)

23. INTERVALS

DRILLED BY

ROTARY TOOLS

TD

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)*

1114'-1202' (Pictured Cliffs) - to be downhole commingled with Fruitland Coal

25. WAS DIRECTIONAL SURVEY MADE

no

26. TYPE ELECTRIC AND OTHER LOGS RUN

GR-CNL-CCL

27. WAS WELL CORED

no

28

CASING RECORD

(Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
8-5/8" J-55	24#	131'	12-1/4"	100 sx Type 5 cement w/2% CaCl2 w/1/4# celloflake/sx	
5-1/2" J-55	15.5#	1374'	7"	90 sx Type 5 cement w/2% Lodense & 2# PhenoSeal/sx & 1/4# celloflake/sx.	
				Tail w/50 sx Type 5 cement w/2# PhenoSeal & 1/4# celloflake/sx	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SBT (MD)
					2-3/8"	1268'	N/A

31. PERFORATION RECORD (Interval, size and number)

1114'-22'; 1168'-72'; 1196'-1202' w/4 spf

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)

AMOUNT AND KIND OF MATERIAL USED

1114'-1202'	31 bbls 15% HCL; 100,000# 20/40 Brady sand;
	1,459 bbls AquaSafe gel

33.*

PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump)					WELL STATUS (Producing or shut in)	
N/A		Pumping					Shut in	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL - BBL.	GAS - MCF.	WATER - BBL.	GAS - OIL RATIO	
			→					
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24 - HOUR RATE	OIL - BBL.	GAS - MCF.	WATER - BBL.	OIL GRAVITY - API (CORR.)		
		→						

RCVD NO
OIL CONS
DIST.

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Vented - to be sold - A sundry notice of well test will be submitted in future

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

John Alexander

Title

Vice-President

Date

11/10/2006

FOR RECORD

*(See Instructions and Spaces for Additional Data on Reverse Side)

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 statements or representations as to any matter within its jurisdiction.

NOV 21 2006
FARMINGTON FIELD OFFICE
BY TC Salyers

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof: cored intervals; and all drill-stem, tests, including depth interval tested on used, time tool open, flowing and shut-in pressures, and recoveries):				38. GEOLOGIC MARKERS		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
				Kirtland Fruitland Pictured Cliffs	surface 810' 1196'	
				TOTAL DEPTH	1380'	