

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

RCVD DEC22'06  
OIL CONS. DIV.  
DIST. 3

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT -" for such proposals

**SUBMIT IN TRIPLICATE**

1. Type of Well



Oil  
Well



Gas  
Well



Other

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

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

Location of Well (Footage, Sec., T., R., M., or Survey Description)

1850' FSL & 790' FEL  
Sec. 3, T22N, R8W

5. Lease Designation and Serial No.

NM 96798

6. If Indian, Allotted or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Sage Creek #1

9. API Well No.

30 045 26757

10. Field and Pool, or Exploratory Area

Alamito Gallup

11. County or Parish, State

San Juan, NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION



Notice of Intent



Subsequent Report



Final Abandonment Notice

TYPE OF ACTION



Abandonment



Recompletion



Plugging Back



Casing Repair



Altering Casing



Other

Complete Fruitland Coal



Change of Plans



New Construction



Non-Routine Fracturing



Water Shut-Off



Conversion to Injection



Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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.)

This well is plugged back from the Gallup formation. Operator plans to complete the Fruitland Coal interval from 1086'-1100'. The interval will be perforated and tested. If necessary, the interval will be stimulated. This is an expiring lease. This work will be done by 1/31/2007. A C-102 dedicating the coal to an east half spacing is attached.

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

Signed

*John Alexander*  
John Alexander

Title

Vice-President

Date

12/20/2006

(This space for Federal or State office use)

Approved by Original Signed: Stephen Mason

Title

Date

DEC 22 2006

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 statements or representations as to any matter within its jurisdiction.

\*See Instruction on Reverse Side

NMOCD

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised June 10, 2003  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-045-26757	<sup>2</sup> Pool Code 71629	<sup>3</sup> Pool Name Basin Fruitland Coal
<sup>4</sup> Property Code 019013	<sup>5</sup> Property Name Sage Creek	<sup>6</sup> Well Number 1
<sup>7</sup> OGRID No. 006515	<sup>8</sup> Operator Name Dugan Production Corp.	<sup>9</sup> Elevation 6794'

<sup>10</sup> Surface Location


UL or lot no. I	Section 3	Township 22N	Range 8W	Lot Idn	Feet from the 1850	North/South line South	Feet from the 790	East/West line East	County San Juan
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<sup>11</sup> Bottom Hole Location If Different From Surface

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<sup>12</sup> Dedicated Acres E/2-320 321.34	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

		NM090468 Dugan Production 100% WI 87.5% NRI		<b><sup>17</sup> OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i>  Signature John C. Alexander Printed Name Vice-President johncalexander@duganproduction.com Title and E-mail Address December 20, 2006 Date
				<b><sup>18</sup> SURVEYOR CERTIFICATION</b> <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Date of Survey Signature and Seal of Professional Surveyor: Original signed & surveyed by George R. Tompkins on 8/7/06 Certificate No. 7259 Certificate Number
	SECTION 3	NM96798 Dugan Production 100% WI 87.5% NRI	790'	
		NM116056 Dugan Production 100% WI 87.5% NRI	1850'	