

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

MAY 09 2008

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

Bureau of Land Management  
Farmington Field Office

**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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	7. If Unit or CA, Agreement Designation
2. Name of Operator Dugan Production Corp.	8. Well Name and No. Morrison #2 SWD
3. Address and Telephone No. P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821	9. API Well No. 30 045 33684
Location of Well (Footage, Sec., T., R., M., or Survey Description) 1350' FNL & 365' FEL (SE/4 NE/4) Unit H, Sec. 13, T22N, R9W	10. Field and Pool, or Exploratory Area Basin Fruitland Coal
	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	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Additional APD info</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> 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.)

Blow-out Preventor Equipment (BOPE) tests will be performed without using a test plug.

Will test the BOPE and surface casing together. The test will include a low pressure test to 250 psig held for five minutes and a high pressure test to 800 psig held for thirty minutes (with no more than a 10 percent pressure drop during the duration of the tests). If a 10 percent or greater pressure drop occurs, a packer will be run to isolate the surface casing and BOPE to locate the source of the leak.

RCVD MAY 28 '08  
OIL CONS. DIV.  
DIST. 3

14 I hereby certify that the foregoing is true and correct

Signed

Kurt Fagrelus  
Kurt Fagrelus

Title

Vice-President, Exploration

Date

5/6/2008

(This space for Federal or State office use)

Approved by

Matt Pokop

Title

Engineering Tech

Date

5-27-08

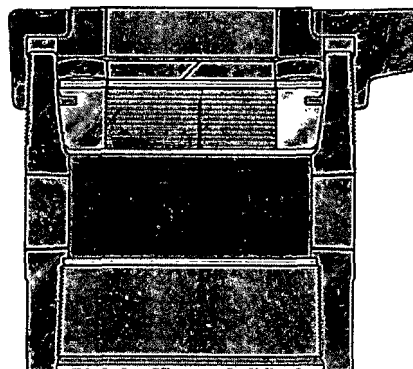
Conditions of approval, if any

Dugan Production Corp. is asking for consent to pressure test the Blow-out Preventor Equipment (BOPE) without using a test plug because of the following reason:

Dugan uses a Gardner Denver 2000 drilling rig to drill shallow coal wells. The largest BOP that will fit under this rig is a Schafer 6" 2000 series that has an internal diameter of 7.0625". This BOP is screwed on to a Hercules LM85 casing head (1500 psi working pressure, 3000 psi test pressure, bottom thread 8-5/8" 8rd, cap thread 9-5/8" 8rd) that has an internal minimum bore of 7.920". The casing head is screwed onto 8-5/8" surface casing (24#, J-55 and 8rd thread) that has an internal diameter of 8.097".

Currently Dugan is unable to get a test plug for the casing head (7.920" ID) or surface casing (8.097" ID) that will pass through the BOP (7.0625").

Dugan will test the BOPE and surface casing together. The test will include a low pressure test to 250 psig held for five minutes and a high pressure test to 800 psig held for thirty minutes (with no more than a 10 percent pressure drop during the duration of the tests). If a 10 percent or greater pressure drop occurs, a packer will be run to isolate the surface casing and BOPE to locate the source of the leak.

**Patented Positive Mechanical Stop Slip Design**

- Limits slip travel.
- Reduces hoop stress in wellhead body.
- Slip load capacity equals thread joint capacity.
- Will not crush pipe ID below API drift.
- Non-restrictive to side outlet flow.

**Contoured Packing Design**

- For improved seal.

**Improved Top Metal Ring Design**

- Prevents packing extrusion.

**Interchangeable Parts**

- All internal parts on 1500, 2000 & 3000 PSI WP LM85 models are interchangeable.

**SPECIFICATIONS**

<b>Bottom Thread</b>	8-5/8" 8rd API*	8-5/8" 8rd API*	8-5/8" 8rd API*
<b>Bottom Connection</b>	Male Short or Fem. Short	Male Short, Fem. Short or Fem. Slip Joint	Fem. Short or Fem. Slip Joint
<b>Working Pressure</b>	1500 PSI	2000 PSI	3000 PSI
<b>Test Pressure</b>	3000 PSI	4000 PSI	6000 PSI
<b>Max. Body Load (2:1 SF)</b>	90,000 lbs.	180,000 lbs.	180,000 lbs.
<b>Cap Thread</b>	9-5/8" 8rd API mod.**	10-3/4" 8rd API mod.**	10-3/4" 8rd API mod.**
<b>Cap Material</b>	Ductile Iron	Ductile Iron	Carbon Steel
<b>Inner String</b>	2", 2-1/2", 3", 4-1/2", 5-1/2", 7"	2", 2-1/2", 3", 4-1/2", 5-1/2", 7"	2", 2-1/2", 3", 4-1/2", 5-1/2", 7"
<b>Suspension</b>	Slip or Mandrel	Slip or Mandrel	Slip or Mandrel
<b>Side Outlet</b>	2" LP	2" LP & 3" LP***	2" LP & 3" LP***
<b>Minimum Bore</b>	7.920"	7.920"	7.920"
<b>Body Material</b>	Ductile Iron	Carbon Steel	Carbon Steel
<b>Height</b>	12-1/2"	11-3/4"	11-3/4"
<b>Weight</b>	142 lbs.	200 lbs.	220 lbs.

\* Other thread styles available

\*\* Caution. R&M Energy Systems recommends using only API modified threaded Hercules flanges. See pg. 22

\*\*\* 3" LP special order only Contact Customer Service.



A Unit of Robbins & Myers, Inc.

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