

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM021116
2. Name of Operator DUGAN PRODUCTION CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address FARMINGTON, NM 87499		7. If Unit or CA/Agreement, Name and/or No. NMNM76129
3b. Phone No. (include area code) Ph: 505-325-1821		8. Well Name and No. REDFERN 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 16 T28N R11W NESE 1750FSL 0960FEL 36.65968 N Lat, 108.00291 W Lon		9. API Well No. 30-045-60162-00-S1
		10. Field and Pool, or Exploratory FULCHER <i>Rutz PC</i>
		11. County or Parish, and State SAN JUAN COUNTY, NM

## 12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

This well has a casing configuration that consists of 8-5/8" at 104', 5-1/2" 14 lb. at 1587' and a 2-7/8" liner from 1175' to 1650'. Sundry notices indicate that the well was deepened to the PC by drilling a 4-3/4" hole below the 5-1/2" production casing to 1655'. A string of 2-7/8" was set at 1650' and cemented with 35 sacks of cement. At some unreported time the 2-7/8" was either backed off or cut off at 1175', leaving 5-1/2" above that point to the surface. The 35 sks of neat cement has a calculated top of 1175'.

Plan to plug well as follows:  
Set cement retainer at 1170'.  
Pump cement through retainer to fill 2-7/8" to the PC perforations 1582'-1587'.  
Spot 100' cement on top of retainer to cover Fruitland top at 1150'.  
Perforate 5-1/2" at 647' (Kirtland is at 597').

RCVD JUL 16 '09  
OIL CONS. DIV.  
DIST. 3

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #71981 verified by the BLM Well Information System For DUGAN PRODUCTION CORPORATION, sent to the Farmington Committed to AFMSS for processing by STEVE MASON on 07/16/2009 (09SXM0140SE)</b>	
Name (Printed/Typed) JOHN C ALEXANDER	Title VICE-PRESIDENT
Signature (Electronic Submission)	Date 07/08/2009

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <u>STEPHEN MASON</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>07/16/2009</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office <u>Farmington</u>

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.

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

NMOC

**Additional data for EC transaction #71981 that would not fit on the form**

**32. Additional remarks, continued**

Plug 647'-350' & 149'-surface.  
Circulate cement to surface.