

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

| | | | | | |
|--|--|--|--|--|--|
| 1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other b. Type of Completion <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____ | | | 5. Lease Serial No. NMNM22044 | | |
| 2. Name of Operator DUGAN PRODUCTION CORP | | | Contact: JOHN C ALEXANDER E-Mail: johncalexander@duganproduction.com | | |
| 3. Address P O BOX 420 FARMINGTON, NM 87499-0420 | | | 3a. Phone No. (include area code) Ph: 505-325-1821 | | |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface NESE 1500FSL 700FEL At top prod interval reported below NESE 1500FSL 700FEL At total depth NESE 1500FSL 700FEL | | | 6. If Indian, Allottee or Tribe Name 7. Unit or CA Agreement Name and No. 8. Lease Name and Well No. GOLD MEDAL 93S | | |
| 9. API Well No. 30-045-34223 | | | 10. Field and Pool, or Exploratory BASIN FRUITLAND COAL | | |
| 11. Sec., T., R., M., or Block and Survey or Arca Sec 33 T24N R10W Mer NMP | | | 12. County or Parish SAN JUAN | | |
| 13. State NM | | | 14. Date Spudded 07/01/2008 | | |
| 15. Date T.D. Reached 07/09/2008 | | | 16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 07/09/2009 | | |
| 17. Elevations (DF, KB, RT, GL)* 6648 GL | | | 18. Total Depth: MD 1265 TVD 1265 | | |
| 19. Plug Back T.D.: MD 1208 TVD 1208 | | | 20. Depth Bridge Plug Set: MD 1208 TVD 1208 | | |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each) GR-CCL-CNL | | | 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> 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 | 136 | | | 95 | | | |
| 7.000 | 5.500 J-55 | 15.5 | 1252 | | | 125 | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

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 | 1144 | | | | | | | |

25. Producing Intervals

26. Perforation Record

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|-----------------------------|-------------|-------------|---------------------|------|-----------|--------------|
| BASIN FRUITLAND COAL | 1047 | 1069 | 1047 TO 1069 | | 88 | |
| B) | | | | | | |
| C) | | | | | | |
| D) | | | | | | |

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

| Depth Interval | Amount and Type of Material |
|---------------------|--|
| 1047 TO 1069 | 250 GALS 15% HCL; 82,500# SAND; 49,650 GALS GEL |
| | |
| | |

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 |
|---------------------|--------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|------------------------|
| | | | | | | | | | RCVD JUL 30 '09 |
| Choke Size | Tbg Press. Flwg SI | Csg Press | 24 Hr Rate | Oil BBL | Gas MCF | Water BBL | Gas Oil Ratio | Well Status | |
| | | | | | | | | | OIL CONS. DIV. |

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 |
|---------------------|--------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|----------------------------|
| | | | | | | | | | DIET 2 |
| 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 |

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

ELECTRONIC SUBMISSION #72578 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED 29 2009**

NMOCD

FARMINGTON FIELD OFFICE

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)
UNKNOWN

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 |
|-----------|-----|--------|------------------------------|--|-----------------------------------|
| | | | | OJO ALAMO KIRTLAND FRUITLAND PICTURED CLIFFS TOTAL DEPTH | 208 304 719 1072 1265 |

32. Additional remarks (include plugging procedure):

A sundry notice of well test will be submitted in the future.

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 #72578 Verified by the BLM Well Information System.
For DUGAN PRODUCTION CORP, sent to the Farmington**

Name (please print) JOHN C ALEXANDERTitle VICE-PRESIDENTSignature (Electronic Submission)Date 07/28/2009

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.

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