

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
NMNM10089

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other			6. If Indian, Allottee or Tribe Name		
b. Type of Completion <input type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input checked="" type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____			7. Unit or CA Agreement Name and No.		
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 NWSW 1650FSL 790FWL At top prod interval reported below NWSW 1650FSL 790FWL At total depth NWSW 1650FSL 790FWL			8. Lease Name and Well No. MARY ANNE 3		
14. Date Spudded 12/22/1982			15. Date T.D. Reached 01/02/1983		
16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 12/28/2009			9. API Well No. 30-045-250506053		
18. Total Depth: MD 1641 TVD 1641			19. Plug Back T.D.: MD 1629 TVD 1629		
20. Depth Bridge Plug Set: MD TVD			10. Field and Pool, or Exploratory BASIN FRUITLAND COAL		
21. Type Electric & Other Mechanical Logs Run (Submit copy of each) GR-CBL			11. Sec., T., R., M., or Block and Survey or Area Sec 9 T24N R9W Mer NMP		
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)			12. County or Parish SAN JUAN		
			13. State NM		
			17. Elevations (DF, KB, RT, GL)* 6677 GL		

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 Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12.250	8.625 J-55	24.0	228				159		
7.875	4.500 J-55	11.6	6409				1734		

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	1592							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) FRUITLAND COAL	1610	1618	1610 TO 1618		32	
B)						
C)						
D)						

26. Perforation Record

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

Depth Interval	Amount and Type of Material
1610 TO 1618	250 GALS 15% HCL; 24,390 GALS FLUID; 25,500# 20/40 SAND

RCVD JAN 12 '10
OIL CONS. DIV.
DIST. 3

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
	01/05/2010	24	→	0.0	0.0	100.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
2	0	4.0	→	0	0	100		GSI	

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
			→						
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
	SI		→						

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

ELECTRONIC SUBMISSION #79693 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

JAN 08 2010

FARMINGTON FIELD OFFICE

NMOC

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.)
VENTED

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	780
				KIRTLAND	910
				PICTURED CLIFFS	1622
				MENEFEE	3184
				MANCOS	4290
				GALLUP	4684
				GREENHORN	6052
				GRANEROS	6122

32. Additional remarks (include plugging procedure):

ADDITIONAL TOPS:

DAKOTA: 6158'

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 #79693 Verified by the BLM Well Information System.
For DUGAN PRODUCTION CORP, sent to the Farmington

Name (please print) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 01/07/2010

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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