Form 3160-5 (August 1999)

| UNITED STATES              |
|----------------------------|
| DEPARTMENT OF THE INTERIOR |
| BUREAU OF LAND MANAGEMENT  |

FORM APPROVED OMB NO. 1004-0135 30, 2000

|       | Expire   | s: N | lovem | ber | 3 |
|-------|----------|------|-------|-----|---|
| Lease | Serial N | Vo.  |       |     |   |

| SUNDRY NOTICES AND REPORTS ON WELLS  |   |   |  |  | NMNM36474  6. If Indian, Allottee or Tribe Name  7. If Unit or CA/Agreement, Name and/or No. |                           |  |
|--|---|---|--|--|--|---------------------------|--|
| 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  |  |                           |  |
| Oil Well Gas Well Oth  |   |   |  |  | MUDDY MUDDY  | 90                        |  |
| 2. Name of Operator Contact: JOHN ALEXANDER E-Mail: johncalexander@duganproduction.com   |   |   |  |  | 9. API Well No.<br>n 30-045-31767-00-S1  |                           |  |
| 3a. Address       3b. Pho         P. O. BOX 420       Ph: 50         FARMINGTON, NM 874990420       Fx: 50   |   |   |  | 2)   | 10. Field and Pool, or Exploratory BASIN FRUITLAND COAL                                      |                           |  |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  Sec 21 T24N R9W SENW 1850FNL 1850FWL   |   |   |  |  | 11. County or Parish, and State SAN JUAN COUNTY, NM  |                           |  |
| 12. CHECK APPR   | ROPRIATE BOX(ES) TO   | INDICATE  | NATURE OF 1  | NOTICE, RE   | EPORT, OR OTHE   | R DATA                    |  |
| TYPE OF SUBMISSION TYPE OF ACTION  |   |   |  |  |  |                           |  |
| ☐ Notice of Intent   | □ Acidize   | □ Deep  | en   | Producti   | ion (Start/Resume)   | □ Water Shut-Off          |  |
| _  | ☐ Alter Casing  | □ Fract   | ure Treat  | □ Reclama  |  | ☐ Well Integrity          |  |
| Subsequent Report  | ☐ Casing Repair   | _   | Construction   | □ Recomp   |  | Other Drilling Operations |  |
| ☐ Final Abandonment Notice   | ☐ Change Plans  |   |  |  | orarny Abandon   |                           |  |
|  | ☐ Convert to Injection  | Plug Back   |  | □ Water D  | ter Disposal   |                           |  |
| Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fine Pressure test casing to 4000# Fruitland Coal 1684'-1694' w/gallons AmBor Max 1020, 412   | operations. If the operation responded ment Notices shall be file in all inspection.)  - held. Run GR-CCL-CN spf (total 40 holes). Acid: gallons AmGel Max 1020 | tults in a multiple<br>ed only after all r<br>IL from PBTD<br>dize w/250 ga | e completion or recequirements, inclu-<br>(1800') to surfa | completion in a reding reclamation ace. Perfora Frac w/28. | new interval, a Form 316<br>n, have been completed,<br>te<br>660                             | 00-4 shall be filed once  |  |
|  | # Electronic Submission<br>For DUGAN PRODUC<br>nitted to AFMSS for proces   | CTION CORP®   | RATION, sent to  | o the Farming  | iton   |                           |  |
| Name (Printed/Typed) JOHN ALE  | EXANDER   |   | Title VICE F   | PRESIDENT  |  | <del></del>               |  |
| Signature (Electronic S  | Submission)   |   | Date 01/22/2   | 2004   |  |                           |  |
|  | THIS SPACE FO   | R FEDERA  | L OR STATE   | OFFICE US  | SE   |                           |  |
| Approved By ACCEPT   | ED  |   | (BLM App<br>Title <b>/8/ Ad</b>                            | rover Not Sp<br>rienne Ga                                  | ecified)<br><b>/cia</b>  | Date 01/29/2004           |  |
| Conditions of approval, if any, are attache certify that the applicant holds legal or equivalent would entitle the applicant to conduct the conduction of th | uitable title to those rights in the uct operations thereon.  | e subject lease   | Office Farming   |  |  |                           |  |
| Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent   | U.S.C. Section 1212, make it a statements or representations as   | crime for any pe<br>to any matter w   | rson knowingly an<br>thin its jurisdiction                 | nd willfully to m<br>n.                                    | ake to any department o  | r agency of the United    |  |