

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

REC-1

5. Lease Serial No.
NOG09051759

JUL 28 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.

Bureau of Land Management
Farming on Field Office

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. MARTINEZ BEGAY 1
2. Name of Operator DUGAN PRODUCTION CORPORATION Contact: JOHN C ALEXANDER Email: johncalexander@duganproduction.com		9. API Well No. 30-045-34983
3a. Address PO BOX 420 FARMINGTON, NM 87499	3b. Phone No. (include area code) Ph: 505-325-1821	10. Field and Pool, or Exploratory BASIN FRUITLAND COAL
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 34 T24N R10W SESE 1200FSL 1000FEL 36.26631 N Lat, 107.88782 W Lon		11. County or Parish, and State SAN JUAN COUNTY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 checked="" type="checkbox"/> Other Drilling Operations
	<input type="checkbox"/> Change Plans	<input 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 recompleat 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.)

Spud 12 1/4" hole @ 8:00 AM 7/23/10. Drilled to 132'. Ran 8 5/8" 24# J-55 casing and land @ 127'. Float Collar @ 85'. BJ Services Cemented w/90 sacks type III cement w/ 2% CaCl2 and 1/4# Celloflake / sack (125 cf slurry). Displaced w/ 5.5 bbl water. Plug down @ 4:00 PM. Circulated 6 bbl cement. ✓

RCVD AUG 2 '10
OIL CONS. DIV.
DIST. 3

ACCEPTED FOR RECORD

JUL 28 2010

FARMINGTON FIELD OFFICE
BY SCV

REPORT PRESSURE TEST FOR 8 5/8" CASING NEXT REPORT

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #90225 verified by the BLM Well Information System
For DUGAN PRODUCTION CORPORATION, sent to the Farmington

Name (Printed/Typed) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 07/26/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

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

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.

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

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