

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.*5. Lease Serial No.
NMSF081087

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
MCADAMS 1

2. Name of Operator

DUGAN PRODUCTION CORPORATION

Contact: JOHN C ALEXANDER

Email: johncalexander@duganproduction.com

9. API Well No.

30-045-06156-00-S1

3a. Address

FARMINGTON, NM 87499

3b. Phone No. (include area code)

Ph: 505-325-1821

10. Field and Pool, or Exploratory
ANGELS PEAK

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 34 T27N R10W SENW 1850FNL 1730FWL
36.53383 N Lat, 107.88539 W Lon

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 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 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 recomplete 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.)

Plugged well as follow:

Set 5-1/2" cast iron bridge plug at 5850'.

Casing would not hold pressure test.

Spot 15 sx type III cement (21 cf) 5850'-5690'.

Spot 37 sx type III cement (50cf) 5100'-4800'. To cover top of liner.

Tag cement @ 4789'.

Attempt to pressure test casing wouldn't hold.

Perforate casing at 3359'.

Set 7-5/8" cement retainer at 3300'.

Pump 53 sx type III cement (72 cf) below the retainer.

Spot 15 sx type III cement on top of retainer (20 cf).

Tag cement at 3148'.

RCVD AUG 24'10

OIL CONS. DIV.

DIST. 3

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

**Electronic Submission #91523 verified by the BLM Well Information System
For DUGAN PRODUCTION CORPORATION, sent to the Farmington
Committed to AFMSS for processing by STEVE MASON on 08/20/2010 (10SXMM0200S)**

Name (Printed/Typed) JOHN C ALEXANDER

Title VICE-PRESIDENT

Signature (Electronic Submission)

Date 08/19/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

ACCEPTEDSTEPHEN MASON
Title PETROLEUM ENGINEER

Date 08/20/2010

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 Farmington

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 **

NMOCD

Additional data for EC transaction #91523 that would not fit on the form

32. Additional remarks, continued

Pressure test casing to 500# ok.

Perforate at 2460'.

Set retainer at 2413'.

Pump 92 sx type III cement (126 cf) below the retainer.

Spot 65 sx type III cement on top of retainer (89 cf).

Perforate at 1600'.

Set retainer at 1550'.

Pump 40 sx type III cement (55 cf) below retainer.

Spot 67 sx type III cement (92 cf) on top of retainer.

Perforate at 263'.

Pump 127 sx type III cement (174 cf) down casing with returns to bradenhead valve.

Check cement at surface, cut off well head, fill cellar, install dry hole marker.

Job complete 08/13/2010.

Operations witnessed by BLM.