

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.
NM 10757

6. If Indian, Allotted or Tribe Name

1. Type of Well
 Oil Well Gas Well Other

7. If Unit or CA, Agreement Designation

2. Name of Operator
Dugan Production Corp.

8. Well Name and No.
Irish #1J

3. Address and Telephone No.
P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821

9. API Well No.
30 045 23887

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

**790' FSL & 790' FEL
Sec. 12, T26N, R13W, NMPM**

10. Field and Pool, or Exploratory Area
WAW Fruitland Sand PC
11. County or Parish, State
San Juan, NM

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

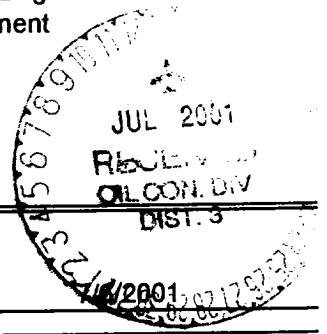
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Production</u>	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

As requested in our last sundry, we are working with the NMOCD to allow production of this well & the Irish #4. The Irish #4 and #1J are WAW Pictured Cliffs/Fruitland Sand wells that occupy the same spacing unit. We disconnected the Irish #1J before connecting the Irish #4. The Irish #1J produces small amounts of gas, but is capable of production. We are unsure at this time how the state will handle our request to produce both wells. To pressure test the casing, a packer must be run and the casing loaded with water. Since wells in this area have very low bottom hole pressure, any water dumped into the wellbore can damage the ability to return production from this well. We request that BLM not require a pressure test of the casing and allow adequate time for Dugan to return the well to production. We understand that if we are unable to come to an agreement with NMOCD on the spacing issue, the well will be plugged and abandoned.

THIS APPROVAL EXPIRES JAN 01 2002



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

Signed John Alexander Title Vice-President Date _____

(This space for Federal or State office use)

Approved by _____ Title _____ Date 7/11/01

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes 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.