

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Designation and Serial No. SF-081231-B
2. Name of Operator Dugan Production Corp.		6. If Indian, Allotted or Tribe Name
3. Address and Telephone No. P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821		7. If Unit or CA, Agreement Designation
Location of Well (Footage, Sec., T., R., M., or Survey Description) 545' FNL & 1,215' FWL (NW/4 NW/4) Unit D, Sec. 24, T30N, R14W, NMPM		8. Well Name and No. Pan American Federal #2
		9. API Well No. 30 045 30918
		10. Field and Pool, or Exploratory Area Harper Hill 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 type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other <u>Surface Casing</u>
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<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.)

Spud on 06/10/02.

Set 8 ⁵/₈" 23 lb./ft. casing. Landed @ 126'.

Cemented with 88.5 cu. ft. Class "B" with 2% Calcium Chloride & 1/4 lb./sx. celloflake.

Circulated 3 bbls. cement to surface. Pressure tested casing and bop to 600 psi, held ok.

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

Signed Terry Kochis Title Petroleum Engineer Date 6/19/2002

(This space for Federal or State office use)

Approved by _____ Title _____ Date _____

Conditions of approval, if any:

ACCEPTED FOR RECORD**JUN 21 2002****FARMINGTON FIELD OFFICE**
BY X

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.

*See Instruction on Reverse Side

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Pressure tested casing to 3,000 psi

Ran GR-CCL-CNL

Perforated Fruitland Sand 1,471' - 1,474', 1,512' - 1,518', 1,542' - 1,546', 1,577' - 1,583' & Pictured Cliffs Sandstone 1,612' - 1,620' w/ 4 shots/ft. (108 shots for 27 ft.).

Broke down with 400 gal. 10% Formic acid followed by Frac 85,000# 20/40 sand in 41,300 gal. containing 20# X - Link gel.

Job completed 06/28/02.

14. I hereby certify that the foregoing is true and correct		
Signed <u>Terry Kochis</u>	Title <u>Petroleum Engineer</u>	Date <u>7/1/2002</u>
(This space for Federal or State office use)		
Approved by _____	Title _____	Date _____
Conditions of approval, if any:		

ACCEPTED FOR RECORD

JUL 03 2002

FARMINGTON FIELD OFFICE
BY [Signature]

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