6 BLM 1 File FORM APPROVED UNITED STATES Form 3160-5 DEPARTMENT OF THE INTERIOR Budget Bureau No. 1004-0135 (June 1990) BUREAU OF LAND MANAGEMENT Expires: March 31,1993 5. Lease Designation and Serial No. **SUNDRY NOTICES AND REPORTS ON WELLS** 14-20-603-586 6. If Indian, Allotted or Tribe Name 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 Navajo 7. If Unit or CA, Agreement Designation 1. Type of Well Gas Oil Wel 8. Well Name and No. 2. Name of Operator Horseshoe #1 Dugan Production Corp. 9. API Well No. 3. Address and Telephone No. OIL (505) 325 - 1821 30 045 11205 P.O. Box 420, Farmington, NM 87499 10. Field and Pool, or Exploratory Area Location of Well (Footage, Sec., T., R., M., or Survey Description) Mesa Gallup 800' FNL & 1680' FEL Sec. 31, T32N, R17W, NMPM R 11. County or Parish, State San Juan, NM 12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Change of Plans X Notice of Intent Abandonment **New Construction** Recompletion Non-Routine Fracturing Plugging Back Subsequent Report Water Shut-Off Casing Repair Conversion to Injection Altering Casing Final Abandonment Notice X Other Continued long term Dispose Water (Note: Report results of multition 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.)* Request continuation of long term shut-in. Economic conditions do not allow installation of a sales line at this time. OLD ENTRY ON IN THIS APPROVAL EXPIRES

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

Signed

Wice-President

Date

4/6/99

(This space for Federal or State office use)

Team Lead, Petroleum Management

Approved by

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.