

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
March 4, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-
5. Indicate Type of Lease - FEDERAL STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Federal: NM-71716
7. Lease Name or Unit Agreement Name Lisbon
8. Well Number 3
9. OGRID Number 006515
10. Pool name or Wildcat Harper Hill Fruitland Sand Pictured Cliffs

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Dugan Production Corp.	
3. Address of Operator P. O. Box 420, Farmington, NM 87499-0420	
4. Well Location Unit Letter <u>N</u> : <u>885</u> feet from the <u>South</u> line and <u>1875</u> feet from the <u>West</u> line Section <u>11</u> Township <u>30N</u> Range <u>14W</u> NMPM County <u>San Juan</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6052' GR	
Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)	
Pit Location: UL <u>N</u> Sect <u>11</u> Twp <u>30N</u> Rng <u>14W</u> Pit type <u>Lined Reserve Pit</u> Depth to Groundwater <u>>100'</u> Distance from nearest fresh water well <u>1.7 miles</u> Distance from nearest surface water <u><200'</u> Below-grade Tank Location UL <u></u> Sect <u></u> Twp <u></u> Rng <u></u> ; feet from the <u></u> line and <u></u> feet from the <u></u> line	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: Supplement to APD For Rule 50 Compliance <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

APD Dated 4/2/04 did not include pit tank information for NMOCD Rule 50 compliance. During drilling and completion a lined reserve pit will exist. Upon completion, no pits will be needed at the well. All production will be transferred by pipeline to Dugan Production's Pifon Mesa Gathering System. Reserve pit will be assessed for closure requirements. If appropriate, the excess liner will be removed and disposed of at an authorized disposal site, the pit fluids allowed to evaporate and the pit covered and contoured.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE John D. Roe TITLE Engineering Manager DATE May 24, 2004

Type or print name John D. Roe E-mail address: johnroe@duganproduction.com Telephone No. 325-1821

(This space for State use)

APPROVED BY Denny Fent TITLE Oil & Gas Inspector, Dist. 23 DATE MAY 26 2004
Conditions of approval, if any: