

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised July 18, 2013

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-045-35765
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Dugan Production Corp.		6. State Oil & Gas Lease No. V-8985
3. Address of Operator P.O. Box 420, Farmington, NM 87499-0420		7. Lease Name or Unit Agreement Name Split Lip
4. Well Location Unit Letter <u>P</u> : <u>914</u> feet from the <u>South</u> line and <u>847</u> feet from the <u>East</u> line Section <u>32</u> Township <u>24N</u> Range <u>11W</u> NMPM San Juan County		8. Well Number 1
		9. OGRID Number 006515
		10. Pool name or Wildcat Basin Fruitland Coal
		11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6200' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
DOWNHOLE COMMINGLE ☐  
CLOSED-LOOP SYSTEM ☐  
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐  
OTHER: TD, production casing ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Drill 7-7/8" hole to TD @ 795' on 5/24/16. Ran 19 jts 5-1/2" 15.5# J-55 ST&C casing to 780'. Float collar @ 738'. Cemented w/200 sks, 274 cu ft, Halliburton Halcem cement blend w/1% bwoc bentonite, 5 lb/sk Kol-seal, 0.125 lb/sk Pol-E-Flake, 0.1% bwoc CFR3 and 2% CaCl2 (13.5#/gal, 1.37 cu ft/sk). Total slurry for the job 274 cu ft. Displaced w/18 bbls fresh water. Circulated 20 bbls cement to surface. Bump plug w/300 psi. Pressured up to 1200 psi. Float held ok. Job complete 5/24/16. Rig released from location 5/25/16. RU 550 pressure truck on 5/27/16. Pressure test csg to 3000 psi for 30 mins, held ok. Release 550 pressure truck.

OIL CONS. DIV DIST. 3

Spud Date:

Rig Release Date:

JUN 13 2016

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Ignacio M. Feil TITLE Engineering Supervisor DATE June 10, 2016

Type or print name Aliph Reena E-mail address: aliph.reena@duganproduction.com PHONE: 505-326-4548

For State Use Only

APPROVED BY: [Signature] TITLE DEPUTY OIL & GAS INSPECTOR DATE 6/28/16  
Conditions of Approval (if any): AV DISTRICT # 3