

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

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

WELL API NO. 30-045-35384
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VO-8066
7. Lease Name or Unit Agreement Name Kinbeto 16
8. Well Number 3
9. OGRID Number 006515
10. Pool name or Wildcat Basin Fruitland Coal

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 ☐ Gas Well ☒ Other

2. Name of Operator
Dugan Production Corp.

3. Address of Operator
PO Box 420, Farmington, NM 87499-0420

4. Well Location

Unit Letter L : 1955 feet from the South line and 840 feet from the West line
Section 16 Township 23N Range 10W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6583' GL

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: Change Well Name ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☐

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.

Operator is changing well name from Kinbeto 16 #3 to Phelps 16 #3.

OIL CONS. DIV DIST. 3

SEP 29 2017

Spud Date:

Rig Release Date:

C-102 attached rec'd on 10-16-17

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

SIGNATURE Kurt Fagrelus TITLE VP, Land & Exploration DATE 9/27/17

Type or print name Kurt Fagrelus E-mail address: kfagrelus@duganproduction.com PHONE: 505-325-1821

For State Use Only

APPROVED BY: [Signature] TITLE Line Manager II DATE 10-26-17
Conditions of Approval (if any):

District I

1625 N. French Dr, Hobbs, NM 88240
Phone: (575)393-6161 Fax: (575)393-0720

District II

811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-35384	² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code 315951-319798	⁵ Property Name PHELPS 16	⁶ Well Number 3
⁷ OGRID No. 006515	⁸ Operator Name DUGAN PRODUCTION CORP.	⁹ Elevation 6583

¹⁰ Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South Line	Feet from the	East/West Line	County
L	16	23 N	10 W		1955	South	840	West	San Juan

¹¹ Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South Line	Feet from the	East/West Line	County

¹² Dedicated Acres 320 (S/2)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

S 89°47' W 79.89 Ch.

OCT 16 2017

¹⁶ 79.58 Ch. Lat. 36.22494° N Long. 107.90781° W (NAD 83) 840' N 0°28' W 1955' Sec. 16 Fd. BLM Cap (Typ.)	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division Kurt Fagrelius 10/16/17 Signature Date Kurt Fagrelius Printed Name kfagrelius@duganproduction.com E-mail Address	
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. 11 June 2012 Date of Survey Signature and Seal of Professional Surveyor WILLIAM E. MAHNKE #8466 William E. Mahnke Certificate Number 8466 PROFESSIONAL LAND SURVEYOR	

S 89°55' W 81.14 Ch.

Bearings from GLO PLat