

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

WELL API NO.
30-045-35773

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
V-8294-2

7. Lease Name or Unit Agreement Name

Sunflower Unit

8. Well Number
1

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 I : 1654 feet from the South line and 850 feet from the East line
Section 2 Township 24N Range 13W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6297' 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: Spud ☒

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.

Sundry notice correcting API #, and well location (correcting sundry submitted on 10/27/17):

Spud 12-1/4" hole @ 2:30 p.m. on 10/27/17, witnessed by Monica Kuehling. Drilling ahead at 65' @ 3:30 p.m. All attempts will be made to run 8-5/8" 24# J-55 csg the evening of 10/27/17. If casing is not run on 10/27/17, it will be run the morning of 10/28/17.

Spud Date:

10/27/17

Rig Release Date:

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

SIGNATURE Ignacio M. Fagrelus TITLE Vice-President, Land & Exploration DATE 11/20/17

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

For State Use Only

Deputy Oil & Gas Inspector,
District #3

APPROVED BY: Monica Kuehling TITLE AV

DATE 12-4-17

Conditions of Approval (if any):

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
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Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

WELL API NO. 300-045-35745 30-045-35773
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-8294-1
7. Lease Name or Unit Agreement Name Sunflower Unit
8. Well Number 1
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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Dugan Production Corp.	
3. Address of Operator PO Box 420, Farmington, NM 87499-0420	
4. Well Location Unit Letter <u>P</u> <u>1166</u> feet from the <u>South</u> line and <u>692</u> feet from the <u>East</u> line Section <u>2</u> Township <u>24N</u> Range <u>13W</u> NMPM San Juan County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6296' GR	

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"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: Change Location <input type="checkbox"/>		OTHER: Spud, surface casing <input checked="" 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Spud 12-1/4" hole @ 2:30 p.m. on 10/27/17, witnessed by Monica Kuehling. Drilling ahead at 65' @ 3:30 p.m. All attempts will be made to run 8-5/8" 24# J-55 csg the evening of 10/27/17. If casing is not run on 10/27/17, it will be run the morning of 10/28/17.

* Incorrect API # and Location information
file a revised report

OIL CONS. DIV DIST. 3

OCT 27 2017

Spud Date: 10/27/17

Rig Release Date:

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

SIGNATURE Kurt Fagrelus TITLE Vice-President, Land & Exploration DATE 10/27/17

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

For State Use Only

APPROVED BY: Bd Bm TITLE AV DATE 11/20/17
Conditions of Approval (if any):