

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

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

Form C-103  
Revised July 18, 2013

WELL API NO. 30-045-35773
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-8294-2
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
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6297' GR

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>I</u> : <u>1654</u> feet from the <u>South</u> line and <u>850</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.) 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: Completion ☒

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.

Pressure test 5-1/2" casing to 3000 psig for 30 mins, held. Run GR-CCL-CNL logs. Perforate (2/21/18) Fruitland Coal from 826'-841'; 890'-919' w/4 spf (total 44', 176 holes). Acidize w/800 gals HCl. Frac w/200,000# 20/40 sand; 127,000 gals Crosslinked foam (2/27/18). Ran 2-3/8" 4.7# J-55 tbg on 3/1/18. Land @ 980', SN @ 942'.

NMOC

MAK 06 2018

DISTRICT III

Spud Date:

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 3/5/18

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

For State Use Only

APPROVED BY: [Signature] TITLE Deputy Oil & Gas Inspector, DATE 3/12/18

Conditions of Approval (if any):

[Signature]