

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

October 13, 2009

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

WELL API NO.

30-045-34922

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

B-11751

7. Lease Name or Unit Agreement Name

O'Henry

8. Well Number

2

9. OGRID Number

006515

10. Pool name or Wildcat

Harper Hill Fruitland Sand - PC

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

P. O. Box 420, Farmington, NM 87499-0420 (505)325-1821

4. Well Location

Unit Letter L : 2200 feet from the South line and 660 feet from the West lineSection 36 Township 30N Range 14W NMPM San Juan County

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

5553' 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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐P AND A ☐CASING/CEMENT JOB ☐OTHER: ☐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 psi 15 min— held ok. Ran GR-CNL-CCL from 1326' (PBTD) to surface. Perf Fruitland Sand with 4 JSPF 1053-61 (32 holes), 1103-06 (12 holes), 1146-52 (24 holes) and Pictured Cliffs 1186-95 (36 holes). Breakdown and acidize each set of perts with 250 gallons 15% HCl acid – total 1000 gallons. Frac 1053 – 1195 with 72,900 gallons cross linked gelled water plus 105,000 lbs. 20/40 sand. Cleaned out sand to PBTD. Land 2-3/8" 4.7# J55 EUE tubing @ 1219'. Ran pump and rods.

RCVD JUN 4 '10

OIL CONS. DIV.

DIST. 3

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

TITLE Vice-President DATE June 2, 2010

Type or print name John Alexander E-mail address: johnalexander@duganproduction.com PHONE: 505-325-1821

For State Use Only

APPROVED BY:

TITLE Deputy Oil & Gas Inspector,

District #3

DATE JUN 04 2010

Conditions of Approval (if any):

REVIEW NMCD RULE 19.15.16.10-I.1 FOR CASING PRESSURE TEST REQUIREMENTS - ALL STRINGS ARE REQUIRED TO BE TESTED FOR A MINIMUM OF 30 MINUTES. ALL FUTURE TESTS MUST MEET THESE REQUIREMENTS