Conditions of approval, if any

Confidential

PORM APPROVED UNITED STATES Form 3160-5 Budget Burcon No. 1004-0135 RECEIVED (June 1990) DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 5. Lease Designation and Serial No. **BUREAU OF LAND MANAGEMENT** NM 65528 SUNDRY NOTICES AND REPORTS ON SCHULL 25 AM 11: 10 6. If Indian, Allonee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals INCATON 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well 1 Well Name and No. Hop-Sing #1 2. Name of Operator 9. API Well No. Dugan Production Corp. 30 045 29378 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area (505) 325-1821 P.O. Box 420, Farmington, NM 87499 Wildcat Gallup 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 990' FNL & 1980' FEL (NW/4 NE/4) Unit B, Sec. 27, T23N, R11W San Juan County, NM CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Abandonment Notice of Intent **New Construction** Recompletion Non-Routine Fracturing Plugging Back Subsequent Report Water Shot-Off Casing Repair Conversion to Injection **Altering Casing** Final Abandonment Notice Other Spud, casing & Dispose Water (Note: Report results of multiple com cement Completion or Recompletion Report and Log form.) 13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\* Moved in & rigged up Four Corners Drilling Company Rig #6. Spudded a 12%" hole at 4:00 PM 6-21-96. Drilled to 245'. Ran 5 jts. 8-5/8" OD, 24#, ST&C casing (T.E. 225') set at 237' RKB. Cemented with 150 sks class "B" + 2% CaCl<sub>2</sub> (total cement slurry = 177 Color of the color of th Circulated 2 bbls good cement cu.ft.). POB at 9:45 PM 6-21-96. to surface. Pressure tested BOP and surface casing 600 psi 30 minutes - held OK. OM GORL DAY that the foregoing is/true and correct 6/24/96 Vice-President AGGEPTED FOR RECORD

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictious or representations as to any matter within its jurisdiction.

\*See instruction on Reverse Side

NMOCD

JUN 25 1996