State of New Mexico Form C-103 Energy, Minerals and Natural Resources Department Submit 3 Copies Revised 1-1-89 to Appropriate District Office OIL CONSERVATION DIVISION WELL API NO. DISTRICT I P.O. Box 1980, Hobbs, NM 88240 P.O. Box 2088 30 045 29659 Santa Fe, New Mexico 87504-2088 DISTRICTI 5. Indicate Type of Lease P.O. Drawer DD, Artesia, NM 88210 FEE 6 State Oil & Gas Lease No. DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410 (A-1120 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUC Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR FIRMIT McCartney (FORM C-101) FOR SUCH PROPOSALS.) Type of Well: WELL XX OTHER WELL & Well Na 2 Name of Operator #1 Dugan Production Corp. 9. Pool name or Wildcat 3. Address of Operator Bisti Chacra Ext. P. O. Box 420, Farmington, NM 87499-0420 (505) 325-1821 4. Well Location East 825 North Feet From The Line 1190 Feet From The Line and San Juan 9W County 22N **NMPM** Range Township Section 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6598' GR Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: ALTERING CASING REMEDIAL WORK PLUG AND ABANDON PERFORM REMEDIAL WORK PLUG AND ABANDONMENT COMMENCE DRILLING OPNS. CHANGE PLANS TEMPORARILY ABANDON CASING TEST AND CEMENT JOB PULL OR ALTER CASING Long String OTHER: OTHER: 12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

Drilled to 1385' T.D. Ran FDC & EIS logs. Ran 4-1/2" 10.01

limited service casing to 1380'. Cement with 102 cu. ft. 2% Lodense with 1/4#/sk. celloflake. Tail with 118 cu. ft. class "G" with 1/4#/sk. celloflake. Circulated 15 bbls cement to surface. Total 220 cu. ft slurry. Job complete 9/25/98.

| (This space for State Use) ORIGINAL SIGNED BY CHARLIE T. PERRIN | DEPUTY OIL & GAS INSPECTOR, DIST. #3 | SEP 2 9 1998 |
|---|--------------------------------------|------------------------|
| John Alexander | | TELEPHONE NO. 325-1821 |
| I bereby certify that the information above is true with complete to the best of my knowledge SMONATURE JUMN CHARGE | wice-President | DATE 9/28/98 |

CONDITIONS OF APPROVAL, IF ANY: