	UNITED STATES MENT OF THE INTERIO	SUBMIT IN TRIPLICATE*	Form approved. Budget Bureau No. 42-R1424. 5. LEASE DESIGNATION AND SERIAL NO. Contract 37A
SUNDRY NOTICES AND REPORTS ON WELLS			G. IF INDIAN, ALLOTTEE OR TRIBE NAME
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)			Jicarilla Apache
OIL GAS X OTHER 2. NAME OF OPERATOR			8. FABM OR-LEASE NAME
Dugan Production Corp. 3. ADDRESS OF OPERATOR			A New -Dawn
P.O. Box 234, Farmington, NM 87401			1 Market
 LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface 			Basin Dakota 1
1470' FSL - 860' FWL			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
			Sec. TA, T24N, R5W
14. PERMIT NO.	15. ELEVATIONS (Show whether DF, 6549 GR	RT, GR, etc.)	Rio Arxiba INM
Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3			
NOTICE OF INTENTION TO: SUBSEQU			THE SECOND OF SECOND PROPERTY OF
TEST WATER SHUT-OFF	PULL OR ALTER CASING	WATER SEUT-OFF	REPAIRING WELL
FRACTURE TREAT	MULTIPLE COMPLETE	FRACTURE TREATMENT	SALTERING CASING
SHOOT OR ACIDIZE	ABANDON*	SHOOTING OR ACIDIZING	S S S S S S S S S S S S S S S S S S S
(Other)	CHANGE PLANS	(Other) (Note: Report results Completion or Recompl	of multiple completion on Well setion Report and Log form.
17 DESCRIPE PROPOSED OF COMPLETED OF	ERATIONS (Clearly state all pertinent ionally drilled, give subsurface locations)	details and sive pertinent dates.	including estimated date of starting any depths for all-markers and zones-perili-
	cement. P.O.B. 11:45	to 235. Ran / Just et @ 230. RKB. Cemer 5 p.m. 10-2-77.	nted w/150 sx neat
GO Int. completed running IES and density log. Laid down drill pipe. Ran 211 jnts of 4-1/2" OD 10.5# K55 8 rnd ST&C csg. Set at 6825'. Halliburton cemented first stage w/200 sx Halliburton lite plus 10# gilsonite per/sx followed by 150/sx Class "B" with 10# gilsonite per/sx. Total sluxy 548 cu. ft. Good mud returns while cementing. Work csg. OK while cementing. Max cementing press 800 psi. POB			
1 2	2:05 a.m. 10-15-77 open stage tool at 470 and stage thru Baker s	2'. Circulated hole tage. Tool at 4702'	3 hrs. Cemented using 500/sx 50/sx neat. Total
٤	slury 1370 cu ft. Goo	od mud returns while	cementing, Max
	cementing press 800 ps POB 4:00 a.m. 10-15-77	. Set slips and rel	leased rig.
	(Cont'd o	The state of the s	conol
18. I hereby certify that the foregoing signed Thomas A. Duga	A Ch TITLE Pet	roleum Engineer	pare 11-110-77.3
(This space for Federal or State of	(ce use)	1 100	
APPROVED BY	TITLE	100	DETERMINE PROBLEM
CONDITIONS OF APPROVAL, IF	ANI:	1	Nov \$ 1 1977 25 3

and Indian nuc

eratian State Ioeal, a

or State , 11-4-77

Installed B.O.P. Western Co. press. tested csg. and BOP to 4000 psi. Held OK. Circulated hole with 1000 gal. gelled water, 129 Bbls water, gel broke, did not do much good. Spotted 350 gal. 7-1/2% acid. Pulled tbg. Welex ran gamma ray correlation log with junk basket. Had trouble logging. Perf one jet/ft 6742-48', 6755-59' and 6769-88', total 29 holes.

PBTD 6795'. Western Co. broke down Dakota fm. at 2350 psi established injection rate 40 B/M at 3500 psi, ISDP 1400 psi, pumped 150 bbls water, ran 35 balls in 500 gal 15% HCl, good ball action, one good break, did not ball off, with balls on pumping at 20 B/M 3800 psi, ISDP 1500 psi, flowed well back, Welex ran junk basket, recovered 34 balls, 18 with perf marks, Western Co. frac Dakota fm. using 3446 HP, 60,000 lbs. 20-40 sand, 2100 bbls. water, 2-1/2# FR-2/1000 gal, IF 3900 psi, Max 4000 psi, Min 3600 psi, Ave. 3800 psi, Final 3900 psi, ISDP 2250 psi, 15 min Shut In. Ave I.R. 37 B/M , Max I.R. 42 B/M, Welex perf Gallup fm. one jet per ft. 5623-30, 5654-64, 5676-88, no press increase after perforating. Established injection rate, press, and rate same as Dakota frac, mixed 1500 lbs sand in blender tub, spotted sand and 35 rubber balls followed by 500 gal 15% HC1 to 5500'.

Shut down 35 min. to let sand fall out, start Gallup frac, used 25,000 lbs 20-40 sand, 840 bbls. water with 2-1/2# FR-2/1000 gal. I.F. 3700 psi, got good press. break, Min. press 2900 psi, Ave 3200 psi, Max 3700 psi, Final 3200 psi, ISDP 1300 psi. 15 Min. Shut in 800 psi, Ave. I.R. 45 B/M, Max I.R. 46 B/M. Shut well in 45 min. flowed well to pit overnight.

PBTD 6795'. Well kicked off overnight making estimated 1500 MCF with heavy flow of frac water and oil. 209 jts 1-1/2" OD, 2.9# JCW 10 R EUE tbg set at 6762' RKB. Tagged sand at 6785'. Well flowing by heads, pumped out tbg plug, released rig, shut well in.

11-5-77

well and ts should

(Cont'd on Back)

18. I hereby certify that the foregoing is true and correct

Petroleum Engineer

SIGNED Dugan - -

(This space for Federal or State office use)

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY