

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION

P.O. Box 2088 Santa Fe, New Mexico 87504-2088

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-045-27694

5. Indicate Type of Lease STATE [X] FEE []

6. State Oil & Gas Lease No. V-2364

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.)

7. Lease Name or Unit Agreement Name Road Runner

1. Type of Well: OIL WELL [X] GAS WELL [] OTHER []

8. Well No. 2

2. Name of Operator DUGAN PRODUCTION CORP.

9. Pool name or Wildcat South Bisti Gallup Ext.

3. Address of Operator P.O. Box 420, Farmington, NM 87499

4. Well Location Unit Letter K : 1980 Feet From The South Line and 1980 Feet From The West Line Section 36 Township 24N Range 11W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6537' GL; 6549' RKB

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data. NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [], PLUG AND ABANDON [], TEMPORARILY ABANDON [], PULL OR ALTER CASING [], OTHER: Extend APD [XX]. SUBSEQUENT REPORT OF: REMEDIAL WORK [], ALTERING CASING [], COMMENCE DRILLING OPNS. [], PLUG AND ABANDONMENT [], CASING TEST AND CEMENT JOB [], 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.

Request a 6 month extension of time on approved APD.

APPROVAL EXPIRES 7-22-92 UNLESS DRILLING IS COMMENCED. SPUD NOTICE MUST BE SUBMITTED WITHIN 10 DAYS.

Stamp: MAR 23 1992

I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE John Alexander TITLE Operations Manager DATE 3-20-92

(This space for State Use) DEPUTY OIL & GAS INSPECTOR, DIST. 403 APPROVED BY DATE MAR 23 1992

CONDITIONS OF APPROVAL, IF ANY: