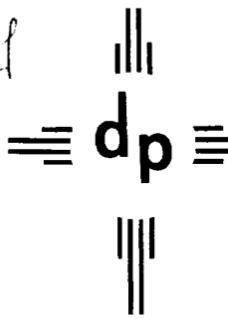
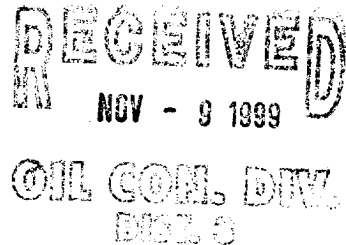


cf  dugan production corp.

November 8, 1999

New Mexico Oil Conservation Division
Attn: Dorothy Jacquez
1000 Rio Brazos Road
Aztec, NM 87410



Attention: Dorothy

Re: Billary No.1 and Hop Sing No. 1 Wells

Dear Dorothy:

In response to your letter of 11/3/1999, the questions you asked are addressed in the following paragraphs. Please let me know if we need to file additional reports or sundries.

Billary No. 1, 860' fsl & 900' fwl, 31-T.25N-R.8W, is temporarily abandoned in the Pictured Cliffs. A cast iron bridge plug was set at 1922'. No cement was placed on top of the bridge plug because the Fruitland Coal was perforated from 1912-1920'. The shut-in casing pressure is 195 psi. There is no tubing in the well at this time. The Fruitland Coal has not been stimulated. We plan to acidize and then evaluate results to determine if fracturing is warranted. The dating of the completion report reflects my failure to file it in a timely manner. #5-08756

Hop Sing No. 1, 990' fnl & 1980' fel, 27-T.23N-R.11W, is temporarily abandoned in the Gallup. A cast iron bridge plug was set at 3700' with no cement on top. Our intent is to evaluate the Mesaverde before making a decision on further completion attempts in either the Mesaverde of Gallup. Attached is a plat for the Mesaverde. The shut-in casing pressure is 50 psi. Shut-in tubing pressure is 0 psi, as we are attempting to lift water from the Mesaverde by pumping. 45-21358

Please let us know if you require further information.

Sincerely,



John Alexander
Vice President

Attachment

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30 045 29378		2 Pool Code 96331		3 Pool Name Pierre Mesa Mesaverde	
4 Property Code 19000		5 Property Name Hop-Sing			6 Well Number 1
7 OGRID No. 006515		8 Operator Name Dugan Production Corporation			9 Elevation 6298' Estimated

10 Surface Location

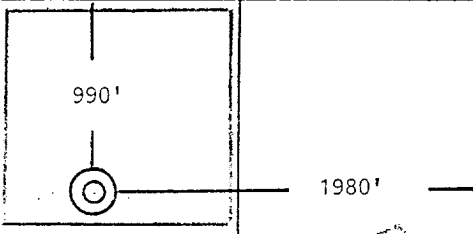
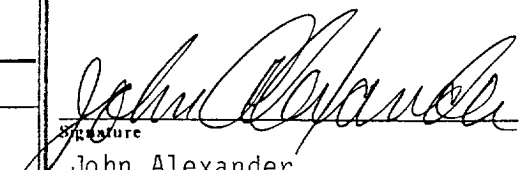
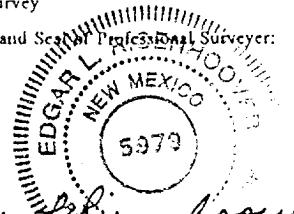
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	27	23 N	11 W		990	North	1980	East	San Juan

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

12 Dedicated Acres 40	13 Joint or Infill	14 Consolidation Code	15 Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16			17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief  Signature John Alexander Printed Name Vice-president Title November 8, 1999 Date
			18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. April 22, 1996 Date of Survey Signature and Seal of Professional Surveyor:  Edgar L. Hoover Certificate Number 5979