

Submit to Appropriate  
District Office  
State Lease - 6 copies  
Fee Lease - 5 copies  
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

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

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

State of New Mexico  
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-105  
Revised 1-1-89

|                                                                                                     |
|-----------------------------------------------------------------------------------------------------|
| WELL API NO.                                                                                        |
| 30 045 30558                                                                                        |
| 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.<br>LG-3045                                                             |

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

|                                                                                                                                                                                                                                                 |                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|
| 1a. Type of Well:<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>                                                                                 | 7. Lease Name or Unit Agreement Name:<br>Bi Knobs   |
| b. Type of Completion:<br>NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RESVR <input type="checkbox"/> OTHER <input type="checkbox"/> | 8. Well No.<br>2R                                   |
| 2. Name of Operator<br>Dugan Production Corp.                                                                                                                                                                                                   | 9. Pool name or Wildcat<br>Twin Mounds Fruitland PC |
| 3. Address of Operator<br>P. O. Box 420, Farmington, NM 87499-0420 (505) 325-1821                                                                                                                                                               |                                                     |
| 4. Well Location<br>Unit Letter C : 1160 Feet From The North Line and 1650 Feet From The West Line<br>Section 32 Township 30N Range 14W NMPM San Juan County                                                                                    |                                                     |

|                                                                                                  |                                 |                                             |                                                    |                                       |
|--------------------------------------------------------------------------------------------------|---------------------------------|---------------------------------------------|----------------------------------------------------|---------------------------------------|
| 10. Date Spudded<br>2/28/01                                                                      | 11. Date T.D. Reached<br>3/2/01 | 12. Date Compl. (Ready to Prod.)<br>3/15/01 | 13. Elevations (DF& RKB, RT, GR, etc.)<br>5392' GL | 14. Elev. Casinghead                  |
| 15. Total Depth<br>940'                                                                          | 16. Plug Back T.D.<br>914'      | 17. If Multiple Compl. How Many Zones?      | 18. Intervals Drilled By<br>Rotary Tools TD        | Cable Tools                           |
| 19. Producing Interval(s), of this completion - Top, Bottom, Name<br>834'-842' (Pictured Cliffs) |                                 |                                             |                                                    | 20. Was Directional Survey Made<br>no |
| 21. Type Electric and Other Logs Run<br>GR-CCI -CNI                                              |                                 |                                             |                                                    | 22. Was Well Cored<br>no              |

|                                                    |                |           |           |                                                                         |               |
|----------------------------------------------------|----------------|-----------|-----------|-------------------------------------------------------------------------|---------------|
| 23. CASING RECORD (Report all strings set in well) |                |           |           |                                                                         |               |
| CASING SIZE                                        | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD                                                        | AMOUNT PULLED |
| 7"                                                 | 23#            | 120'      | 9"        | 59 cu ft class "B" w/2% CaCl <sub>2</sub> & 1/4# cel                    | 10            |
| 4 1/2"                                             | 10.5#          | 938'      | 6 1/4"    | 103 cu ft class "B" containing 2% Lodense & 1/4# celloflake/sx. Tail w/ | 50            |
|                                                    |                |           |           | cu ft containing 1/4# celloflake/sx                                     |               |
|                                                    |                |           |           | Total 162 cu ft                                                         |               |

|                  |     |        |              |        |                   |           |            |
|------------------|-----|--------|--------------|--------|-------------------|-----------|------------|
| 24. LINER RECORD |     |        |              |        | 25. TUBING RECORD |           |            |
| SIZE             | TOP | BOTTOM | SACKS CEMENT | SCREEN | SIZE              | DEPTH SET | PACKER SET |
|                  |     |        |              |        | 2-3/8"            | 884'      | NA         |

|                                                                                                |                                                 |                                                             |
|------------------------------------------------------------------------------------------------|-------------------------------------------------|-------------------------------------------------------------|
| 26. Perforation record (interval, size, and number)<br>834'-842' w/4 shots/ft (total 32 shots) | 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. |                                                             |
|                                                                                                | DEPTH INTERVAL                                  | AMOUNT AND KIND MATERIAL USED                               |
|                                                                                                | 834'-842'                                       | 500 gals 15% HCL; 46,000# 20/40 sand; 24,500 gals 700 foam. |

|                          |                        |                                                                                |                        |                 |                    |                                           |                 |
|--------------------------|------------------------|--------------------------------------------------------------------------------|------------------------|-----------------|--------------------|-------------------------------------------|-----------------|
| 28. PRODUCTION           |                        |                                                                                |                        |                 |                    |                                           |                 |
| Date First Production    |                        | Production Method (Flowing, gas lift, pumping - Size and type pump)<br>flowing |                        |                 |                    | Well Status (Prod. or Shut-in)<br>shut in |                 |
| Date of Test<br>5/1/01   | Hours Tested<br>24     | Choke Size<br>3/4"                                                             | Prod'n For Test Period | Oil - Bbl<br>0  | Gas - MCF<br>40    | Water - Bbl<br>100                        | Gas - Oil Ratio |
| Flow Tubing Press.<br>20 | Casing Pressure<br>120 | Calculated 24-Hour Rate                                                        | Oil - Bbl<br>0         | Gas - MCF<br>40 | Water - Bbl<br>100 | Oil Gravity - API - (Corr.)               |                 |

|                                                                                   |                   |
|-----------------------------------------------------------------------------------|-------------------|
| 29. Disposition of Gas (Sold, used for fuel, vented, etc.)<br>vented - to be sold | Test Witnessed By |
|-----------------------------------------------------------------------------------|-------------------|

30. List Attachments

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature Terry Kochis Printed Name Terry Kochis Title Engineer Date 5/2/01

