

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 March 4, 2004

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO.
 30-045-33217

5. Indicate Type of Lease Federal
 STATE FEE

6. State Oil & Gas Lease No.
 Federal Lease SF-078110

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.)

1. Type of Well:
 Oil Well Gas Well Other

7. Lease Name or Unit Agreement Name
 Herry Monster

8. Well Number
 3 SWD

2. Name of Operator
 Dugan Production Corp.

9. OGRID Number
 006515

3. Address of Operator
 P. O. Box 420, Farmington, NM 87499-0420

10. Pool name or Wildcat
 Entrada SWD (96436)

4. Well Location
 Unit Letter F : 1980 feet from the North line and 1700 feet from the West line
 Section 11 Township 24N Range 11W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 6643' GL

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

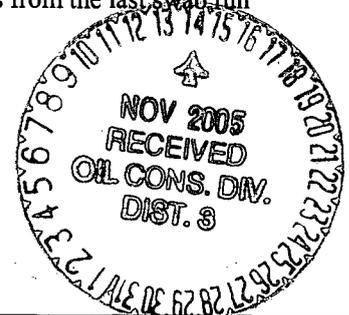
Pit Location: UL Sect Twp Rng Pit type Depth to Groundwater Distance from nearest fresh water well
 Distance from nearest surface water Below-grade Tank Location UL Sect Twp Rng ;
 feet from the line and feet from the line

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input checked="" type="checkbox"/>	

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

As required by Administrative Order SWD-994. This well was perforated in the Entrada on 11/9/05. A packer and tubing were run to swab test the zone. The beginning static fluid level was 400' from surface. After 13 swab runs, approximately 78 barrels of water was recovered. The ending fluid level was 300' from surface. The water analysis from the last swab run is attached.



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines , a general permit or an (attached) alternative OCD-approved plan .

SIGNATURE Darrin Steed TITLE Petroleum Engineer DATE November 10, 2005
 Type or print name Darrin Steed E-mail address: darrinsteed@duganproduction.com Telephone No. 505-325-1821
 (This space for State use)
 APPROVED BY _____ TITLE _____ DATE _____

Conditions of approval, if any:

HALLIBURTON

Water Analysis Report

To: Dugan Production Date: 11/10/2005
Submitted by: Halliburton Energy Services Date Rec: 11/10/2005
Attention: Darrin Steed Report #: FLMM5A44
Well Name: Herry Monster #3 SWD Formation: Entrada/SWD

Specific Gravity	1.005	
pH	8.4	
Resistivity	0.89	@ 70° F
Iron (Fe)	0	Mg / L
Potassium (K)	200	Mg / L
Sodium (Na)	4165	Mg / L
Calcium (Ca)	176	Mg / L
Magnesium (Mg)	15	Mg / L
Chlorides (Cl)	2200	Mg / L
Sulfates (SO4)	2000	Mg / L
Carbonates (CO3)	40	Mg / L
Bicarbonates (HCO3)	5612	Mg / L
Total Dissolved Solids	14408	Mg / L

Respectfully: Bill Loughridge
Title: Senior Scientist
Location: Farmington, NM

NOTICE: This report is limited to the described sample tested. Any person using or relying on this report agrees that Halliburton shall not be liable for any loss or damage whether due to act or omission resulting from such report or its use.