

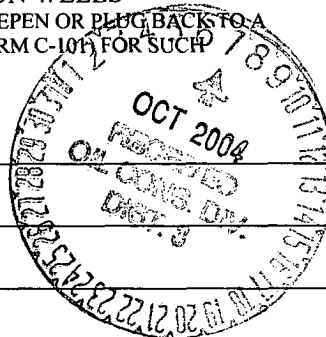
Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
Revised June 10, 2003

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.)		WELL API NO. 30-045-32425
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Dugan Production Corp.		6. State Oil & Gas Lease No.
3. Address of Operator P. O. Box 420, Farmington, NM 87499-0420		7. Lease Name or Unit Agreement Name Monte Carlo Com
4. Well Location Unit Letter <u>E</u> : <u>2510</u> feet from the <u>North</u> line and <u>1200</u> feet from the <u>West</u> line Section <u>7</u> Township <u>30N</u> Range <u>14W</u> NMPM San Juan County		8. Well Number 90S
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5376' GL		9. OGRID Number 006515
		10. Pool name or Wildcat Basin Fruitland Coal



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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: Completion ☒

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.

Pressure test casing to 3500#, held. Run GR-CCL-CNL logs. Perforate Fruitland Coal from 574'-80'; 634'-37'; 652'-55' & 703'-17' w/4 spf (total 104 holes). Acidize w/700 gals 15% HCL. Frac w/82,000# 20/40 Brady sand; 20,000# resin sand; 44,500 gals AquaSafe X20 gel.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE John C. Alexander TITLE Vice-President DATE October 4, 2004

Type or print name John C. Alexander E-mail address: johncalexander@duganproduction.com Telephone No. (505)325-1821
(This space for State use)

APPROVED BY Chad R. TITLE DEPUTY OIL & GAS INSPECTOR, DIST. # DATE OCT - 7 2004
Conditions of approval, if any: