

-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

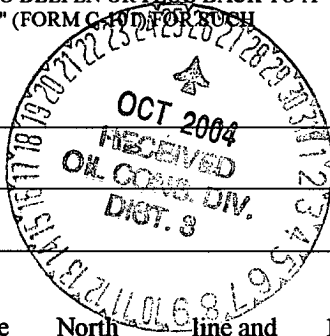
State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised June 10, 2003

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

WELL API NO. 30-045-23199
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG-3736
7. Lease Name or Unit Agreement Name Com
8. Well Number 2
9. OGRID Number 006515
10. Pool name or Wildcat Harper Hill Fruitland Sand Pictured Cliffs

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-100) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Dugan Production Corp.	
3. Address of Operator P. O. Box 420, Farmington, NM 87499-0420	
4. Well Location Unit Letter <u>A</u> : <u>1125</u> feet from the <u>North</u> line and <u>1070</u> feet from the <u>East</u> line Section <u>2</u> Township <u>29N</u> Range <u>14W</u> NMPM San Juan County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5511' GL	



12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/> OTHER: <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: Pressure test <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.

Set packer @ 982'. Pressure test casing at 570 psi with no leaks. Test witnessed by NMOCDD. Request that this well retain its shut-in status. Operator is considering an amendment to state pool rules that will allow two wells in the same spacing unit to be produced at the same time.

JA EXP. Res

10-21-2009

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 10/22/04

Type or print name John C. Alexander E-mail address: johncalexander@duganproduction.com Telephone No. 325-1821

(This space for State use)

APPROVED BY Chad H. TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE OCT 26 2004

Conditions of approval, if any: