

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
May 27, 2004

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

WELL API NO. 30-045-25815
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Federal Lease No. SF-077317
7. Lease Name or Unit Agreement Name Hana
8. Well Number 1
9. OGRID Number 006515
10. Pool name or Wildcat Fulcher Kutz PC/Farmer FR Sandstone Ext

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>	
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>B</u> : <u>790</u> feet from the <u>North</u> line and <u>1520</u> feet from the <u>East</u> line Section <u>18</u> Township <u>29N</u> Range <u>11W</u> NMPM San Juan County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5712' GL	
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>	
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____	
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

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 COMPL <input type="checkbox"/> OTHER: <input checked="" type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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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.

The bradenhead test was returned by your office with a request for an explanation the "no bradenhead" comment.

The Hana #1 (B-18-29N-11W API 30-045-25815) does not have a bradenhead as verified by digging out around the well until the casing top was found. This well has 7" at 97' and was cemented to the surface. The production casing is 2-7/8" set in 5-1/8" hole at 2017'. The sundry notices report that cement was circulated back to the surface. A review of the cementing reports shows that an adequate volume of cement was pumped to accomplish circulation. I request that this well be left as is and that we be allowed to continue reporting Bradenhead Tests as "no bradenhead".

Compliance with Rule 19.15.3.105 By Jan 1-2007

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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE John C. Alexander TITLE Vice-President DATE June 23, 2005

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

For State Use Only

APPROVED BY: Chad R... TITLE SUPERVISOR DISTRICT # 3 DATE JUN 24 2005
Conditions of Approval (if any):