

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised August 1, 2011

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

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|---|
| WELL API NO. 30-045-29158 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. VA-1121 |
| 7. Lease Name or Unit Agreement Name Marley |
| 8. Well Number 1 |
| 9. OGRID Number 006515 |
| 10. Pool name or Wildcat Basin Fruitland Coal |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6640' GL |

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

2. Name of Operator
Dugan Production Corp.

3. Address of Operator
P O Box 420, Farmington, NM 87499-0420 505-325-1821

4. Well Location
 Unit Letter N : 1190 feet from the South line and 1450 feet from the West line
 Section 36 Township 23N Range 9W NMPM San Juan County

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"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| DOWNHOLE COMMINGLE <input type="checkbox"/> | | | |
| OTHER: Plans - maintain TA status <input checked="" type="checkbox"/> | | OTHER: <input 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Dugan Production Corp. intends to maintain the TA status of this well until after we have drilled and completed the Marley #90. Upon determination that the Marley #90 is capable of production, the Marley #1 will be plugged and abandoned.

OIL CONS. DIV DIST. 3

JUL 05 2016

Spud Date:

Rig Release Date:

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

SIGNATURE Kurt Fagrelis TITLE Vice President Land & Exploration DATE June 30, 2016

Type or print name Kurt Fagrelis E-mail address: kfagrelis@duganproduction.com PHONE: 505-325-1821

For State Use Only

APPROVED BY: Chat TITLE **SUPERVISOR DISTRICT #3** DATE 7-11-16
 Conditions of Approval (if any): A