

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 July 18, 2013

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

WELL API NO. 30-045-22483
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG-1917
7. Lease Name or Unit Agreement Name Mesa
8. Well Number 2
9. OGRID Number 006515
10. Pool name or Wildcat Potwin 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-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
Dugan Production Corp.

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

4. Well Location
 Unit Letter C : 990 feet from the North line and 1600 feet from the West line
 Section 16 Township 24N Range 8W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6901' GL

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"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
CLOSED-LOOP SYSTEM <input type="checkbox"/>	
OTHER: <input 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 intends to plug and abandon well. We are seeking permission to bullhead cement from surface to plug the well due to the 2-7/8" casing completion, if we can establish mechanical integrity for the casing. If the casing won't test, we will try to spot plugs to surface.

-Set retrievable bridge plug at 1963'. Pressure test 2-7/8" 6.4# casing to 600 psi. Run CBL from 1963' to surface.
 -If casing passes mechanical integrity test, remove RBP and bullhead cement from surface by the following procedure:

- Pump 20 bbls water down 2-7/8" casing to establish rate.
- Mix and pump 115 sks (132 cu ft) Class G w/2% CaCl2 cement (1.15 cu ft/sk) from surface down the casing.
- WOC 4 hrs. Tag top of cement at surface.
- If cement top is not at surface, fill up as needed.
- Cut wellhead. Fill surface/production casing annulus with cement from 92' up with 1" pipe.

OIL CONS. DIV DIST. 3

JUL 06 2017

* Submit CBL for review/Approval prior to cementing.

-If the casing won't test, we will spot plug across formation tops to surface using 1 1/4" tbg. The well will be P&A'd per the following procedure if casing wont test:

- Set 2-7/8" Plug I @ 1963'. Spot inside plug @ 1963' above BP w/18 sks Class G cement w/CaCl2 (21.2 cu ft) @ 1330'-1963'. Plug I: Fruitland, PC, Kirtland, Ojo Alamo
- Perforate @ 142'. Circulate cement from 142' to surface w/20 sks Class G cement (23.6 cu ft) w/2% CaCl2. Plug II: Surface-142'.
- WOC 4 hrs. Tag TOC @ surface. Fill cement if needed.
- Cut wellhead.
- Dig cellar around wellhead. Install dry hole marker. Fill cellar with cement

Notify NMOCD 24 hrs prior to beginning operations

Spud Date:

Rig Release Date:

* Extend plug #1 in Second Scenario to 1300' to cover Obj top.

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

SIGNATURE Aliph Reena TITLE Engineering Supervisor DATE July 4, 2017

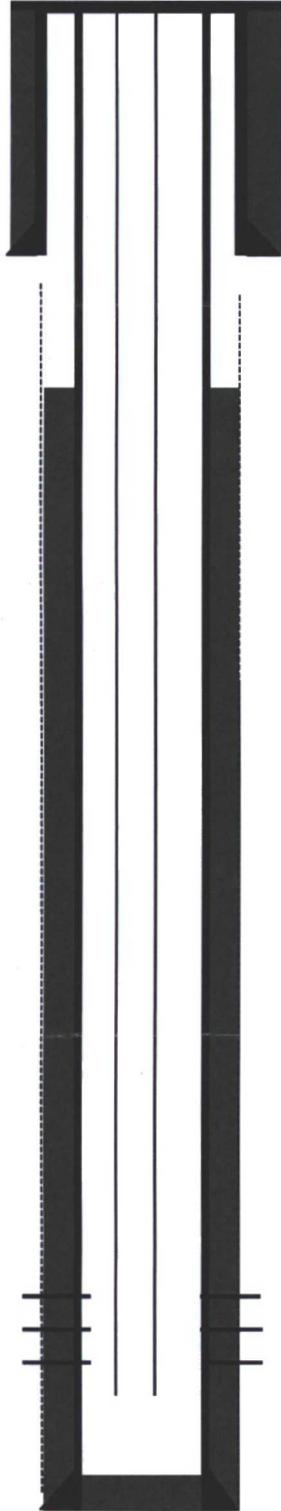
Type or print name Aliph Reena E-mail address: aliph.reena@duganproduction.com PHONE: 505-325-1821

For State Use Only APPROVED BY: Deputy Oil & Gas Inspector TITLE District #3 DATE 7/6/17

Conditions of Approval (if any): # See above AV

Current Wellbore Schematic

Mesa # 2
30-045-22483
S16 T24N R8W
990' FNL & 1600' FWL



7" 20# ST & C casing @ 92'. Cemented w/ 35
sks to surface.

Cemented with 50 sks 2% lodense followed by 75 sks
neat. Calculated cement top approx @ 350' from surface.

1 1/4" tubing set @ 2023'

2-7/8" 6.5 # casing @ 2130. PBTB @ 2039' .

PC Perfs @ 2013'-2023', 10'

Planned P&A Wellbore Schematic

Mesa # 2
30-045-22483
S16 T24N R8W
990' FNL & 1600' FWL



7" 20# ST & C casing @ 92'. Cemented w/ 35
sks to surface.

Bullhead with 115 sks Class G neat cement (132cu.ft)
down the casing from surface.

Cemented with 50 sks 2% lodense followed by 75 sks
neat. **Calculated cement top** approx @ 350' from
surface.

2-7/8" 6.5 # casing @ 2130. PBTD @ 2039' .

Pictured Cliffs Perfs @ 2013'-2023', 10'

Planned P&A Wellbore Schematic

Mesa # 2
30-045-22483
S16 T24N R8W
990' FNL & 1600' FWL



7" 20# ST & C casing @ 92'. Cemented w/ 35
sks to surface.

Perf @ 142'. Circulate cement from 142' to surface w/ 20
sks Class G (23Cu.ft), Plug II: 0-142', Surface -142'

Cemented with 50 sks 2% lodense followed by 75 sks
neat. **Calculated cement top** approx @ 350' from
surface.

2-7/8" 6.5 # casing @ 2130. PBT @ 2039'.

Set Plug @ 1963'. Spot Plug I from 1963' w/ 18 sks Class
G to 1335' (21.2 Cu.ft), Plug I: 1335'-1963', Fruitland-PC,
Kirtland, Ojo Alamo

Pictured Cliffs Perfs @ 2013'-2023', 10'