

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. 30-045-35468
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VA-2965
7. Lease Name or Unit Agreement Name PGA Unit 2
8. Well Number 4
9. OGRID Number 006515
10. Pool name or Wildcat Basin Fruitland Coal
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6609' GR

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 I : 1960 feet from the South line and 660 feet from the East line
 Section 2 Township 23N Range 11W 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: <input type="checkbox"/>	
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: Complete well <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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Pressure test 5 1/2" casing from 616' to surface to 1,750 psi for 30 mins, held ok (see attached chart recording). The subject well will be completed by perforating the Fruitland Coal from 920'-944'. The interval will then be acidized with 1,500 gallons of 15% HCl below a packet set at approximately 700'. A hole in the production casing has been identified between 637'-647' (top of Fruitland formation is at 595'). As this is part of the Fruitland formation, it will be included as part of the completion interval and will not be acidized or fracture stimulated. After the perforation and acid job, monthly bradenhead tests will be conducted for up to 6 months. After which time, the well will either be P&A'd or the casing holes at 637'-647' will be repaired by setting a casing patch across the interval. The casing string will then be pressure tested at that time. This procedure is necessary so that production from the PGA Unit can be established prior to September 30, 2017 as mandated by regulation.

Spud Date: Rig Release Date:

OIL CONS. DIV DIST. 3
AUG 21 2017

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 8/17/17

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

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APPROVED BY: Bob Bell TITLE Deputy Oil & Gas Inspector, District #3 DATE 8/23/17

Conditions of Approval (if any):

