

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. 30-045-35773
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-8294-2
7. Lease Name or Unit Agreement Name Sunflower Unit
8. Well Number 1
9. OGRID Number 006515
10. Pool name or Wildcat Basin Fruitland Coal

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 : 1654 feet from the South line and 850 feet from the East line
 Section 2 Township 24N Range 13W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6297' GR

OIL CONS. DIV DIST. 3

NOV 27 2017

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- DOWNHOLE COMMINGLE
- CLOSED-LOOP SYSTEM
- OTHER:
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING/CEMENT JOB
- ALTERING CASING
- P AND A
- OTHER: Spud

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.

Sundry notice correcting API #, and well location (correcting sundry submitted on 10/27/17):

Spud 12-1/4" hole @ 2:30 p.m. on 10/27/17, witnessed by Monica Kuehling. Drilling ahead at 65' @ 3:30 p.m. All attempts will be made to run 8-5/8" 24# J-55 csg the evening of 10/27/17. If casing is not run on 10/27/17, it will be run the morning of 10/28/17.

Spud Date: 10/27/17

Rig Release Date:

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

SIGNATURE *Kurt Fagrelus* TITLE Vice-President, Land & Exploration DATE 11/20/17

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

For State Use Only
 APPROVED BY: *Monica Kuehling* TITLE Deputy Oil & Gas Inspector, District #3 DATE 12-4-17

Conditions of Approval (if any): FV

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 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. 300-045-35745 30-045-35773
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-8294-1
7. Lease Name or Unit Agreement Name Sunflower Unit
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.) 6296' 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 P 1166 feet from the South line and 692 feet from the East line
 Section 2 Township 24N Range 13W 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"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: Change Location <input type="checkbox"/>		OTHER: Spud, surface casing <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.

Spud 12-1/4" hole @ 2:30 p.m. on 10/27/17, witnessed by Monica Kuehling. Drilling ahead at 65' @ 3:30 p.m. All attempts will be made to run 8-5/8" 24# J-55 csg the evening of 10/27/17. If casing is not run on 10/27/17, it will be run the morning of 10/28/17.

* Incorrect API # and Location information
 file a revised report

OIL CONS. DIV DIST. 3
OCT 27 2017

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 Fagrelius TITLE Vice-President, Land & Exploration DATE 10/27/17

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

For State Use Only

APPROVED BY: [Signature] TITLE N DATE 11/20/17
 Conditions of Approval (if any):