

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. 30-043-20831
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-1399
7. Lease Name or Unit Agreement Name  Gus YJ State
8. Well Number 1
9. OGRID Number 006515
10. Pool name or Wildcat Lybrook Gallup

**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 B : 660 feet from the North line and 1980 feet from the East line  
 Section 32 Township 23N Range 6W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
7245' GR

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

<b>NOTICE OF INTENTION TO:</b>		<b>SUBSEQUENT REPORT OF:</b>	
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: Connection for gas sales <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.

The Gus YJ State #1 has been approved to be added to Encana's Lybrook Trunk Line #1 Gas Gathering System. Encana's application dated 6/23/17 has been approved by the NMOCD (Administrative Order PLC-373-A-E/OLM-82-B), BLM and the New Mexico State Land Office. The connection to the Lybrook Gathering System is planned for ±100' southeast of the well and will deliver gas to Enterprise @ Encana's CDP located in the SWNW of Section 36, T23N, R7W. An onsite gas meter will be installed and used for allocating volumes sold at the CDP to the well.

OIL CONS. DIV DIST. 3  
 DEC 18 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 John Roe TITLE Engineering Manager DATE 12/15/17

Type or print name John Roe E-mail address: johnroe@duganproduction.com PHONE: 505-325-1821

**For State Use Only**

APPROVED BY: Charles R TITLE SUPERVISOR DISTRICT #3 DATE 12-20-17  
 Conditions of Approval (if any): AV