

Submit 3 Copies to Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO. 30-045- 32180
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG-3734
7. Lease Name or Unit Agreement Name Bisti State Com
8. Well Number 1S
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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other
2. Name of Operator Dugan Production Corp.
3. Address of Operator P. O. Box 420, Farmington, NM 87499-0420
4. Well Location Unit Letter <u>K</u> : <u>1500</u> feet from the <u>South</u> line and <u>1500</u> feet from the <u>West</u> line Section <u>2</u> Township <u>25N</u> Range <u>13W</u> NMPM San Juan County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6259' GL

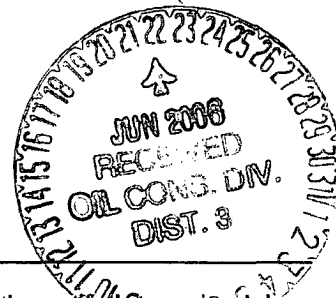
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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"/>
PLUG AND ABANDON <input type="checkbox"/>	P AND A <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
MULTIPLE COMPL <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	OTHER: TD, production 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Drill to TD @ 1440' on 6/7/06. Run 4 1/2" 10.5# J-55 YellowBand casing. Land @ 1420', float collar @ 1391'. Cement w/85 sx 2% Lodense w/3# Gilsonite & 1/4# celloflake/sx. Tail w/50 sx Type 5 cement w/3# Gilsonite/sx & 1/4# celloflake/sx (242 cu ft total). Circ 8 bbls cement.



I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE John Alexander TITLE Vice-President DATE June 20, 2006

Type or print name John Alexander E-mail address: johncalexander@duganproduction.com Telephone No. (505)325-1821

For State Use Only
APPROVED BY: A. Villanueva TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE JUN 22 2006

Conditions of Approval (if any):

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