

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

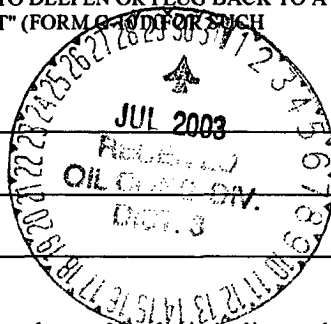
OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-103  
Revised June 10, 2003

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-045-31760
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Dugan Production Corp.		6. State Oil & Gas Lease No. LG-3045-1
3. Address of Operator P. O. Box 420, Farmington, NM 87499-0420		7. Lease Name or Unit Agreement Name Bi Knobs
4. Well Location Unit Letter <u>E</u> : <u>2180'</u> feet from the <u>North</u> line and <u>660'</u> feet from the <u>West</u> line Section <u>32</u> Township <u>30N</u> Range <u>14W</u> NMPM <u>San Juan</u> County		8. Well Number 91S
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5391' GL		9. OGRID Number 006515
		10. Pool name or Wildcat Basin Fruitland Coal



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"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <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 985' on 7/25/03. Ran 5-1/2" 15.5#, 8RD LT&C casing. Set @ 976' with float collar @ 949'. Cement with 40 sx 3% Econolite cement with 3#/sx Gilsonite and 2% CaCl<sub>2</sub> followed by 50 sx Class "B" neat with 31#/sx gilsonite. Total slurry 177.8 cu ft. Circulate 5 bbls cement.

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

SIGNATURE John Alexander TITLE Vice-President DATE 7/29/03  
Type or print name John Alexander E-mail address: johncalexander@duganproduction.com Telephone No. 325-1821

(This space for State use)

APPROVED BY Chad H. TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE JUL 30 2003  
Conditions of approval, if any: