

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. 30-045-33319
5. Indicate Type of Lease <i>Federal Lease</i> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NM-36952

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	7. Lease Name or Unit Agreement Name  Bonanza Com
	8. Well Number 92S
2. Name of Operator Dugan Production Corp.	9. OGRID Number 006515
3. Address of Operator P. O. Box 420, Farmington, NM 87499-0420	10. Pool name or Wildcat Basin Fruitland Coal

4. Well Location  
 Unit Letter F : 1800 feet from the North line and 1500 feet from the West line  
 Section 24 Township 24N Range 11W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
6372' GR

Pit or Below-grade Tank Application  or Closure   
 Pit type workover Depth to Groundwater >100' Distance from nearest fresh water well >1000' Distance from nearest surface water 300'  
 Pit Liner Thickness: 12 mil Below-Grade Tank: Volume 20 bbls; Construction Material earthen

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"/>	
OTHER: <u>Construct workover pit</u> <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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Plan to construct a workover pit. Pit size will be 6' x 6' x 4'. Pit volume will be 20 bbls. The pit will be fenced and have a 12 mil liner. The fresh water will be vacuumed out.

Plan to build, fence, use and abandon the pit in the same day.

Pit closure will be modified only as necessary to comply with BLM stipulations.

RCVD MAY 14 '07  
 OIL CONS. DIV.  
 DIST. 3

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 Kurt Fagrelius TITLE Vice-President, Geology DATE May 11, 2007

Type or print name Kurt Fagrelius E-mail address: kfagrelius@duganproduction.com Telephone No. 325-1821  
 For State Use Only

APPROVED BY: Brandon Powell TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE MAY 14 2007  
 Conditions of Approval (if any)