

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
June 19, 2008

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

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		WELL API NO. 30-045-34693
2. Name of Operator Dugan Production Corp.		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
3. Address of Operator P. O. Box 420, Farmington, NM 87499-0420		6. State Oil & Gas Lease No. VA-1119
4. Well Location Unit Letter <u>O</u> : <u>1195</u> feet from the <u>South</u> line and <u>1380</u> feet from the <u>East</u> line Section <u>16</u> Township <u>22N</u> Range <u>8W</u> NMPM San Juan County		7. Lease Name or Unit Agreement Name Cochran
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6643' GL		8. Well Number 3
		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

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"/>			
OTHER: Completion sundry <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.

Pressure test casing to 3000 psi for 30 mins, held. Run GR-CCL-CNL logs. Perforate (3/5/09) Fruitland Coal from 704'-722' w/4 spf (total 18', 72 holes). Frac w/65,280# 20/40 sand; 39,400 gals gel (9/18/09). Ran 24 jts 2-3/8" eue 4.7# tbg on 9/24/09. Landed @ 795', SN @ 758'.

J-55

RCVD SEP 30 '09

OIL CONS. DIV.

DIST. 3

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 Alexander TITLE Vice-President, Exploration DATE 9/28/09

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

For State Use Only

APPROVED BY: Fally G. Peltz TITLE Deputy Oil & Gas Inspector, District #3 DATE OCT 02 2009

Conditions of Approval (if any):

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