

Submit 1 Copy 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
October 13, 2009

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)		WELL API NO. 30-045-24465
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. VA-1119
3. Address of Operator P. O. Box 420, Farmington, NM 87499-0420		7. Lease Name or Unit Agreement Name Cochran
4. Well Location Unit Letter <u>A</u> : <u>1165</u> feet from the <u>North</u> line and <u>1170</u> feet from the <u>East</u> line Section <u>16</u> Township <u>22N</u> Range <u>8W</u> NMPM San Juan County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6656' GL		9. OGRID Number 006515
		10. Pool name or Wildcat Bisti Chacra Ext.

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: Plug Chacra <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.

Plan to plug and abandon the Chacra formation as follows:
Set cast iron bridge plug at 50' above the Chacra top (1145'-Chacra perforations 1158'-1269').
Spot 100' Type V cement plug on top of CIBP.
Pressure test casing.
The upper portion of the wellbore will be left un-plugged pending our application to complete the Fruitland Coal at approximately 756'-770'.

RCVD JAN 25 '10
OIL CONS. DIV.
DIST. 3

Notify NMOCD 24 hrs
prior to beginning
operations

Must comply with NMOCD Rules
19.15.25.12, 19.15.25.13 and
19.15.25.14

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 DATE January 22, 2010

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

For State Use Only

Deputy Oil & Gas Inspector,

APPROVED BY: Pat G. Redd TITLE District #3 DATE FEB 04 2010

Conditions of Approval (if any):

B