

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
March 4, 2004

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

WELL API NO. 30-045-33927
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. B-11571
7. Lease Name or Unit Agreement Name Sponge Bob SWD
8. Well Number 1
9. OGRID Number 006515
10. Pool name or Wildcat SWD; Morrison Bluff Entrada

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 type="checkbox"/> Other <input checked="" type="checkbox"/> SWD - 1046
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>2300</u> feet from the <u>South</u> line and <u>1810</u> feet from the <u>West</u> line Section <u>36</u> Township <u>30N</u> Range <u>14W</u> NMPM San Juan County
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5608' GL

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL _____ Sect _____ Twp _____ Rng _____ Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____
Distance from nearest surface water _____ Below-grade Tank Location UL _____ Sect _____ Twp _____ Rng _____ ; feet from the _____ line and _____ feet from the _____ line

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>
OTHER: <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: Commenced Injection <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.

RCVD APR 22 '10

Conduct MIT. Pressure tested casing to 500# for 30 mins, held ok. Test witnessed by Eric with the NMOCD. 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: John C. Alexander TITLE: Vice-President DATE: April 21, 2010

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

(This space for State use)

Deputy Oil & Gas Inspector,

APPROVED BY: Monica Kuehling TITLE: District #3 DATE: MAY 03 2010

Conditions of approval, if any:

B 5/3

Report volume + pressure
for 24-hr period