Submit To Appropriate District Office State of New Mexico Form C-105 State Lease - 6 copies Revised June 10, 2003 Energy, Minerals and Natural Resourcés Fee Leaser 5 copies WELL API NO. District I 1625 N. French Dr., Hobbs, NM 88240 30-045-31944 Oil Conservation Division 1301 W. Grand Avenue, Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis D District III STATE | FEE 🖂 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe/NM 87/00 State Oil & Gas Lease No. District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 WELL COMPLETION OR RECOMPLETION 7. Lease Name or Unit Agreement Name la. Type of Well: OTHER OIL WELL ☐ GAS WELL ☑ DRY 🗖 b. Type of Completion: NEW ☑ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. Sly Slav Com WELL OVER **BACK** RESVR. OTHER 8. Well No. 2. Name of Operator Dugan Production Corp. 9. Pool name or Wildcat 3. Address of Operator P. O. Box 420, Farmington, NM 87499-0420 (505)325-1821 **Basin Fruitland Coal** 4. Well Location : 1150 Feet From the North Unit Letter Line and 790 Feet From the East Line 15W NMPM 30N San Juan County Section Township 11. Date T.D. Reached 10. Date Spudded 12. Date Compl. (Ready to Prod.) 13. Elevations (DF& RKB, RT, GR, etc.) 14. Elev. Casinghead 11-10-03 11-14-03 2-27-04 5354 Rotary Tools 15. Total Depth 16. Plug Back T.D. 17. If Multiple Compl. How Many 18. Intervals Cable Tools Drilled By TD 19. Producing Interval(s), of this completion - Top, Bottom, Name 20. Was Directional Survey Made 551'-714' (Fruitland Coal) 21. Type Electric and Other Logs Run 22. Was Well Cored Cased hole 23. **CASING RECORD** (Report all strings set in well) WEIGHT LB./FT. HOLE SIZE **CASING SIZE DEPTH SET** CEMENTING RECORD AMOUNT PULLED 8-5/8" J-55 23# 122' 11" 85 sx Class "B" neat w/2% CaCl₂ & 1/4# celloflake/sx 5-1/2" J-55 15.5# 864' 40 sx 2% Lodense w/1/4# celloflake/sx. Tail w/60 sx Class B neat w/1/4# celloflake/sx, Total 152 cu ft LINER RECORD 25. TUBING RECORD SIZE TOP BOTTOM SACKS CEMENT SCREEN DEPTH SET PACKER SET SIZE 2-3/8" 741' NA 26. Perforation record (interval, size, and number) 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 551'-557', 683'-641', 698'-714' w/4 spf (total 104 holes) 800 gallons 15% HCL; 77,080# 20/40 Brady sand; 551'-714' 20,620# Super LC sand; 47,460 gallons AmBor Max 1020 gel fluid **PRODUCTION** 28 Date First Production Production Method (Flowing, gas lift, pumping - Size and type pump) Well Status (Prod. or Shut-in) NA Swab - will be pumped Hours Tested Date of Test Choke Size Prod'n For Oil - Bbl Gas - MCF Water - Bbl. Gas - Oil Ratio 24 hrs 2" Test Period 50 (est) Flow Tubing Calculated 24-Oil - Bbl. **Casing Pressure** Gas - MCF Water - Bbl. Oil Gravity - API - (Corr.) Press. Hour Rate O 50 (est) 31 29. Disposition of Gas (Sold, used for fuel, vented, etc.) Test Witnessed By vented - to be sold 30. List Attachments 31 .I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief Signature John Alexander Title Vice-President Date March 8, 2004 E-mail Address johncalexander@duganproduction.com

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico			Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn. "B"	
T. Salt	T. Strawn	T. Kirtland surface	T. Penn. "C"	
B. Salt_	T. Atoka	T. Pictured Cliffs 716'	T. Penn. "D"	
T. Yates_	T. Miss	T. Cliff House	T. Leadville	
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison	
T. Queen	T. Silurian	T. Point Lookout	T. Elbert	
T. Grayburg	T. Montoya	T. Mancos	T. McCracken	
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte	
T. Glorieta	T. McKee	Base Greenhorn	T. Granite	
T. Paddock	T. Ellenburger	T. Dakota	T Fruitland 278'	
T. Blinebry	T. Gr. Wash_	T. Morrison	T.	
T.Tubb	T. Delaware Sand	T.Todilto	T	
T. Drinkard	T. Bone Springs	T. Entrada	T.	
T. Abo	T	T. Wingate	T.	
T. Wolfcamp	T	T. Chinle	T.	
T. Penn	T	T. Permian	T.	
T. Cisco (Bough C)	T	T. Penn "A"	T.	
No. 1, from No. 2, from	toto		OIL OR GAS SANDS OR ZONESto	
,\$	IMPORTA	NT WATER SANDS		
Include data on rate of wat	er inflow and elevation to which	water rose in hole.		
		feet		
No. 2. from	to	feet	***************************************	
No. 3. from	to	feet		
	LITHOLOGY RECOR	CD (Attach additional sheet if no	ecessary)	
From To Thickness In Feet	Lithology	From To Thickness In Feet	Lithology	