Form Approved.

Form 9-331	Budget Bureau No. 42-R1424
UNITED STATES DEPARTMENT OF THE INTERIOR	5. LEASE NM 1304
GEOLOGICAL SURVEY	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
SUNDRY NOTICES AND REPORTS ON WELLS	7. UNIT AGREEMENT NAME
(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9–331–C for such proposals.)	8. FARM OR LEASE NAME
	Christmas Season
1. oil gas y other	9. WELL NO.
2. NAME OF OPERATOR	#1
Dugan Production Corp.	10. FIELD OR WILDCAT NAME Chacra
3. ADDRESS OF OPERATOR P O Box 208, Farmington, NM 87401	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17	Sec 18 T23N R9W
below.) AT SURFACE: 790' FSL - 1610' FEL	12. COUNTY OR PARISH 13. STATE
AT SURFACE: /90' FSL - 1010 FEL AT TOP PROD. INTERVAL:	San Juan NM
AT TOTAL DEPTH:	14. API NO.
16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE,	
REPORT, OR OTHER DATA	15. ELEVATIONS (SHOW DF, KDB, AND WD)
REQUEST FOR APPROVAL TO: SUBSEQUENT REPORT OF:	6660 GR
KEQUEST TOR ALTRED	and the second
TEST WATER SHUT-OFF	
SHOOT OR ACIDIZE Perfs, acid	Milete completion of 7000
REPAIR WELL	(NOTE: Report results of multiple completion or zone change on Form 9–330.)
PULL OR ALTER CASING	
MULTIPLE COMPLETE	
CHANGE ZONES U	
(other)	

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

See reverse for report of perfs and acid. Set @ Subsurface Safety Valve: Manu. and Type 18. I hereby certify that the foregoing is true and correct 12-23-<u>81</u> Agent (This space for Federal or State office use) APPROVED BY CONDITIONS OF APPROVAL, IF ANY:

DAILY REPORT

2-18-81 Rigged up Southwest Surveys and FWS swabbing unit. PBTD 1659'. Ran GR/CLL/Neutron log from 1659-800. Swabbed well down to 1100'. Perf 1487-1495, 1 SPF, 8 holes w/ 2-1/8" bi-wire glass jets. Perf 1460-1466 and 1472-1476, 1 SPF, 10 holes w/ 2-1/8" bi-wire glass jets. Perf 1376-1380, 1 SPF, 4 holes w/ 2-1/8" bi-wire glass jets. Note: all depths are set back to the IES log. Swabbed well down. No water or gas entry.

DUGAN PRODUCTION CORP. Christmas Season #1 Page 2

- 2-19-81 Rigged up the Western Co. and FWS swabbing unit. Pumped 250 gals of 15% HCL w/ inhibitor and displaced w/ 9.6 bbls of water. Dropped 8 bals w/ 125 gals of acid placed. Ball action increased pressure 100 psi. Dropped 8 balls after all acid placed. Ball action increased pressure 400 psi. Break down pressure 1700 psi. Average pressure 900 psi. Maximum pressure 1500 psi, minimum pressure 600 psi. Average pump rate 3 BPM. ISDP 650. Vacuum in 15 min. Swabbed well down.
- 8-27-81 Rigged up Action Well Service swabbing Unit #9. Made four swab runs. Swabbed well down. Fluid level ±800'. Waited 20 min. Swabbed well, casing accumulated ±150' fluid. Swabbed well down. Waited 30 min. Swabbed well; casing accumulated 200' fluid. Took sample. NO show of gas. ±300-350' per hr liquid entry. Released swabbing unit 11:00 a.m. 8-27-81.