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State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504-2088

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd, Aztec, NM 87410

WELL API NO. 30-045-28333 5. Indicate Type of Lease STATE [X] FEE [] 6. State Oil & Gas Lease No. LG-9090

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.)

7. Lease Name or Unit Agreement Name Little b

1. Type of Well: OIL WELL [] GAS WELL [X] OTHER []

8. Well No. 2

2. Name of Operator DUGAN PRODUCTION CORP.

9. Pool name or Wildcat Bisti Chacra (96031)

3. Address of Operator P.O. Box 420, Farmington, NM 87499

4. Well Location Unit Letter G : 1850 Feet From The North Line and 1850 Feet From The East Line Section 36 Township 23 North Range 8 West NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6910' GL

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [] PLUG AND ABANDON [] TEMPORARILY ABANDON [] CHANGE PLANS [] PULL OR ALTER CASING [] OTHER: [] SUBSEQUENT REPORT OF: REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT [] CASING TEST AND CEMENT JOB [] OTHER: Test Production [X]

12. 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.

On 9/27/00 a 24 hour test was conducted. Average gas rate was 316 mcfd with 10 barrels of water.

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 9/28/00 TYPE OR PRINT NAME John Alexander TELEPHONE NO. (505) 325-182

(This space for State Use) ORIGINAL FILED IN DISTRICT OFFICE OF THE DEPUTY OIL & GAS INSPECTOR, DIST. #3 OCT 2 2000 APPROVED BY TITLE DATE CONDITIONS OF APPROVAL, IF ANY: