

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

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

WELL API NO. <b>30-045-27343</b>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. <b>LG-9804</b>
7. Lease Name or Unit Agreement Name <b>Oktoberfest Com</b>
8. Well No. <b>2</b>
9. Pool name or Wildcat <b>South Bisti Gallup Ext.</b>

**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 checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	2. Name of Operator <b>DUGAN PRODUCTION CORP.</b>
3. Address of Operator <b>P.O. Box 420, Farmington, NM 87499</b>	4. Well Location Unit Letter <b>L</b> : <b>1980</b> Feet From The <b>South</b> Line and <b>990</b> Feet From The <b>West</b> Line Section <b>36</b> Township <b>24N</b> Range <b>10W</b> NMPM <b>San Juan</b> County
10. Elevation (Show whether DF, RKB, RT, GR, etc.) <b>6878' GL</b>	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
<b>NOTICE OF INTENTION TO:</b> 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"/> OTHER: <input type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> 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: <b>Spud &amp; Surface Casing</b> <input checked="" type="checkbox"/>

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.

Moved in and rigged up Four Corners Drilling Company rig #8. Spudded a 12½" hole @ 7:45 PM on 4-7-89. Drilled to 215'. Ran 5 jts. 8-5/8" OD, 24#, 8 Rd, ST&C casing (T.E. 195.43') set @ 211' RKB. Cemented with 160 sx class "B" neat + 2% CaCl₂ (188.8 cu.ft. cement slurry). P.O.B. @ 12:30 A.M. 4-8-89. Cement circulated to surface.

Tested BOP and surface casing 600 psi for 30 minutes before drilling out - held OK.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Jim L. Jacobs TITLE Geologist DATE 4-10-89  
TYPE OR PRINT NAME Jim L. Jacobs TELEPHONE NO. 325-1821

(This space for State Use)

APPROVED BY FRANK R. CHAVEZ SUPERVISOR TITLE Geologist DATE APR 11 1989  
CONDITIONS OF APPROVAL, IF ANY: