

District I - (505) 393-6161
1625 N. French Dr
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

New Mexico

Energy Minerals and Natural Resources Department

Oil Conservation Division

2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

1471 FORM C-142
Date 06/99

SUBMIT ORIGINAL
PLUS 2 COPIES
TO THE SANTA FE
OFFICE

DEC 10 1999

OIL CONSERVATION DIVISION
APPLICATION FOR NEW WELL STATUS

I. Operator and Well

| | | | | | | | | |
|---|--------------|-----------------|--------------|-----------------------|---------------------------|----------------------------|------------------------|--------------------|
| Operator name & address Dugan Production Corp. P. O. Box 420, Farmington, NM 87499-0420 | | | | | | OGRID Number 006515 | | |
| Contact Party John Alexander | | | | | | Phone (505) 325-1821 | | |
| Property Name Com | | | | Well Number 91 | | API Number 30 045 29935 | | |
| UL L | Section 2 | Township 29N | Range 14W | Feet From The 2510 | North/South Line South | Feet From The 790' | East/West Line West | County San Juan |

II. Date/Time Information

| | | | |
|-----------------------|-------------------|---------------------------|------------------------------|
| Spud Date 10/25/99 | Spud Time 1200 | Date Completed 12/6/99 | Pool Basin Fruitland Coal |
|-----------------------|-------------------|---------------------------|------------------------------|

III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

State of New Mexico)

ss.

County of San Juan)

John Roe, being first duly sworn, upon oath states:

1. I am the Operator, or authorized representative of the Operator, of the above-referenced well.
2. To the best of my knowledge, this application is complete and correct.

Signature John D. Roe Title Engineering Manager Date December 8, 1999

SUBSCRIBED AND SWORN TO before me this 8th day of December, 1999.

Cynthia L. Sweetland
Notary Public

My Commission expires: 8-11-2000

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

| | | |
|----------------------------------|------------------------------|-----------------------|
| Signature <u>Mark Schuler</u> | Title <u>P.E. Schuler</u> | Date <u>2-4-00</u> |
|----------------------------------|------------------------------|-----------------------|

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 2/8/00

NOTICE: The operator must notify all working interest owners of this New Well certification.

PV2V2007339273

Submit to Appropriate
District Office
State Lease - 6 copies
Fee Lease - 5 copies
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

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Form C-105
Revised 1-1-89

| |
|--|
| WELL API NO. |
| 30 045 29935 |
| 5. Indicate Type of Lease |
| STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| V-5411 |

| | | | | |
|--|-----------------------------------|---|---|---------------------------------------|
| WELL COMPLETION OR RECOMPLETION REPORT AND LOG | | | | |
| 1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ | | | | |
| b. Type of Completion: NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF RESVR <input type="checkbox"/> OTHER _____ | | | | |
| 2. Name of Operator Dugan Production Corp. | | | | |
| 3. Address of Operator P. O. Box 420, Farmington, NM 87499-0420 (505)325-1821 | | | | |
| 4. Well Location Unit Letter <u>L</u> : <u>2510</u> Feet From The <u>South</u> Line and <u>790</u> Feet From The <u>West</u> Line Section <u>2</u> Township <u>29N</u> Range <u>14W</u> NMPM San Juan County | | | | |
| 10. Date Spudded 10/25/99 | 11. Date T.D. Reached 10/27/99 | 12. Date Compl. (Ready to Prod.) 12/6/99 | 13. Elevations (DF & RKB, RT, GR, etc.) 5450' GL | 14. Elev. Casinghead |
| 15. Total Depth 1180' | 16. Plug Back T.D. 1143' | 17. If Multiple Compl. How Many Zones? | 18. Intervals Drilled By Rotary Tools TD | Cable Tools |
| 19. Producing Interval(s), of this completion - Top, Bottom, Name 898' - 1029' (Fruitland Coal) | | | | 20. Was Directional Survey Made no |
| 21. Type Electric and Other Logs Run GR-CCL-CNL | | | | 22. Was Well Cored no |

23. CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT LB/FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|---------------|-----------|-----------|--|---------------|
| 7" | 20# | 120' | 9-1/8" | 59 cu ft class "B" containing 2% CaO | 12 |
| 4-1/2" | 10.5# | 1178' | 6-1/4" | 122 cu ft 2% Lodense containing 1/4# celloflake/sx. Tail w/83 cu ft class "B" containing 1/4# celloflake/sx. | |
| | | | | Total 205 cu ft | |

| 24. LINER RECORD | | | | | 25. TUBING RECORD | | |
|------------------|-----|--------|--------------|--------|-------------------|-----------|------------|
| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN | SIZE | DEPTH SET | PACKER SET |
| | | | | | 2-3/8" | 1032' | NA |

| | | |
|--|---|--|
| 26. Perforation record (interval, size, and number) 898' - 904' w/1 spf (7 holes); 1012' - 1016' w/4 spf (16 holes); 1022' - 29' w/4 spf (28 holes) | 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. | |
| | DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED |
| | 898' - 1029' | 40,400 gals 700 foam; 62,900# 20/40 sand; 230,000 SCF N2; 675 gals 15% HCL |

| | | | | | | | |
|---|-------------------------------|--|------------------------|-----------|-------------|---|-----------------|
| 28. PRODUCTION | | | | | | | |
| Date First Production 12/4/99 | | Production Method (Flowing, gas lift, pumping - Size and type pump) capable of production | | | | Well Status (Prod. or Shut-in) shut-in | |
| Date of Test 12/8/99 | Hours Tested 24 hrs | Choke Size | Prod'n For Test Period | Oil - Bbl | Gas - MCF | Water - Bbl | Gas - Oil Ratio |
| Flow Tubing Press. 280 psi-SI | Casing Pressure 280 psi-SI | Calculated 24-Hour Rate | Oil - Bbl | Gas - MCF | Water - Bbl | Oil Gravity - API - (Corr.) | |
| 29. Disposition of Gas (Sold, used for fuel, vented, etc.) vented - to be sold | | | | | | Test Witnessed By M. Brown | |

30. List Attachments

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature John D. Roe Printed Name John D. Roe Title Engineering Mgr. Date 12/8/99

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 Fr. and surface | T. Penn. "C" |
| B. Salt | T. Atoka | T. Pictured Cliffs 1033' | 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 - 725' |
| 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. |

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....
No. 2, from.....to.....
No. 3, from.....to.....
No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from to feet

No. 2, from to feet

No. 3, from to feet

LITHOLOGY RECORD (Attach additional sheet if necessary)

| From | To | Thickness in Feet | Lithology |
|------|----|----------------------|-----------|
| | | | |

| From | To | Thickness in Feet | Lithology |
|------|----|----------------------|-----------|
| | | | |

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-39

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. 30 045 29935 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. V-5411 |
| 7. Lease Name or Unit Agreement Name Com |
| 8. Well No. 91 |
| 9. Pool name or Wildcat Basin Fruitland Coal |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 5450' GL |

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 checked="" type="checkbox"/> OTHER |
| 2. Name of Operator Dugan Production Corp. |
| 3. Address of Operator P. O. Box 420, Farmington, NM 87499-0420 (505) 325-1821 |
| 4. Well Location Unit Letter L : 2510 Feet From The South Line and 790' Feet From The West Line Section 2 Township 29N Range 14W NMPM San Juan County |

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: Spud ☒

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.

Spud @ 1200 hrs 10/25/99. Run 7" 20# J-55 casing. Land at 120'.
Cement with 59 cu. ft. class "B" containing 2% CaCl₂. Plug down
1800 hrs 10/25/99. Circulate 2 bbls cement to surface.

RECEIVED
OCT 27 1999
OIL CON. DIV.
DIST. 3

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 10/26/99
TYPE OR PRINT NAME John Alexander TELEPHONE NO. (505) 325-182

(This space for State Use)

ORIGINAL SIGNED BY CHARLIE T. PERRIN

JOINT OIL & GAS INSPECTOR, DIST. #3 OCT 27 1999

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

WORKING INTEREST OWNERS

COM #91

API #30 045 29935

Unit L, Section 2, T29N, R14W

San Juan County, New Mexico

Dugan Production Corp. – 100.0%