

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
March 4, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-32284
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-4426
7. Lease Name or Unit Agreement Name State Com
8. Well Number 1B
9. OGRID Number 006515
10. Pool name or Wildcat Basin Fruitland Coal

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
Dugan Production Corp.

3. Address of Operator
P. O. Box 420, Farmington, NM 87499-0420

4. Well Location

Unit Letter L : 1980 feet from the South line and 990 feet from the West line

Section 16 Township 32N Range 12W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
6005' GL

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL L Sect 16 Twp 32N Rng 12W Pit type Lined Reserve Pit Depth to Groundwater >100' Distance from nearest fresh water well 1.6 miles

Distance from nearest surface water * Below-grade Tank Location UL L Sect 16 Twp 32N Rng 12W ;
feet from the _____ line and _____ feet from the _____ line *Location is within the vulnerable area boundary established for Jaquez Arroyo

12. 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 ☐ MULTIPLE COMPLETION ☐

OTHER: Supplement to APD For Rule 50 Compliance ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: ☐

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

APD Dated 4/7/04 did not include pit tank information for NMOCD Rule 50 compliance. During drilling and completion a lined reserve pit will exist. Upon completion, one below grade tank, equipped with leak detection, will be installed for the separator and tank drains. The reserve pit will be assessed for closure requirements. If appropriate, the excess liner will be removed and disposed of at an authorized disposal site, the pit fluids allowed to evaporate and the pit covered and contoured. NMOCD guidelines will be followed until a general permit is secured.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE John D. Roe TITLE Engineering Manager DATE July 23, 2004

Type or print name John D. Roe E-mail address: johnroe@duganproduction.com Telephone No. 325-1821

(This space for State use)

APPROVED BY Denny Faint TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE JUL 26 2004
Conditions of approval, if any: