

Submit 1 Copy 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
October 13, 2009

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

WELL API NO. 30-045-35279
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-8491
7. Lease Name or Unit Agreement Name Holly
8. Well Number # 90
9. OGRID Number 006515
10. Pool name or Wildcat Basin Fruitland Coal (71629)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6859' 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 ☐ Gas Well ☒ Other

2. Name of Operator
Dugan Production Corp. (505) 325-1821

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

4. Well Location

Unit Letter M : 660 feet from the FSL line and 1105 feet from the FWL line

Section 16 Township 24N Range 09W NMPM County Sandoval

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

6859' GL

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 COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

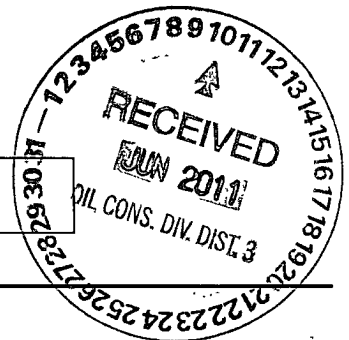
OTHER: ☒ Spud, surface casing

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

Spud 12-1/4" hole on 5/27/2011. Drilled to 132'. Run 8-5/8" 24# J-55 csg. Land @ 127', float collar @ 92'. Cement w/120 sx Type III cement w/2% CaCl2 & 1/4# celloflake/sx (157 cu ft total slurry). Displace w/5.3 bbls water. Circulate 7 bbls cement. NU BOP. Pressure test blind rams and surface casing to 600# for 30 mins, held. Pressure test pipe rams to 600# for 30 mins, held.

Spud Date:

Rig Release Date:



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

SIGNATURE

John C. Alexander

TITLE: Vice President

DATE: 06/07/2011

Type or print name John C. Alexander E-mail address: johncalexander@duganproduction.com PHONE: 505-325-1821

For State Use Only

APPROVED BY:

Brandon Bell

TITLE

DATE 6-16-11

Conditions of Approval (if any):

A