

Submit a 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. 30-045-35243
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V-7770
7. Lease Name or Unit Agreement Name Susana Com
8. Well Number # 1
9. OGRID Number 006515
10. Pool name or Wildcat Basin Fruitland Coal (71629)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6700' 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 D : 790 feet from the FNL line and 1200 feet from the FWL line  
Section 02 Township 21N Range 08W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
6700' 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 ☐

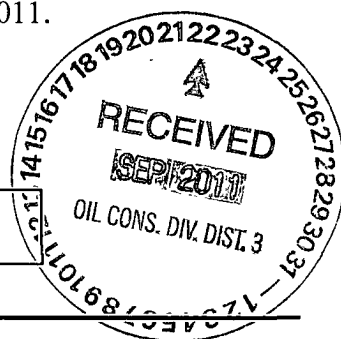
OTHER: Swab ☒

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.

Pressure test casing at 3000 psi for 30 minutes with no leaks. Perforate Fruitland Coal 642'-669' w/4 jsp. Fractured Fruitland Coal interval 642'-669' w/1579 bbls cross-linked gelled water containing 109,000 lb 20/40 sand. Cleaned out sand. Ran 2-3/8" eue 4.7#/ft tubing to 745'. Ready to produce on 9/19/2011.

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: 09/20/2011

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

For State Use Only

APPROVED BY: Brandon Zell TITLE: Deputy Oil & Gas Inspector, District #3 DATE: 9/26/11

Conditions of Approval (if any):

A