

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised August 1, 2011

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-045-08042
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Dugan Production Corp.		6. State Oil & Gas Lease No.
3. Address of Operator P O Box 420, Farmington, NM 87499-0420		7. Lease Name or Unit Agreement Name Mae Gale Com
4. Well Location Unit Letter <u>E</u> : <u>2050</u> feet from the <u>North</u> line and <u>790</u> feet from the <u>West</u> line Section <u>24</u> Township <u>29N</u> Range <u>11W</u> NMPM San Juan County		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5475' GL		9. OGRID Number 006515
		10. Pool name or Wildcat Basin Dakota

12. 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"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <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"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
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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.

Certain corrections in the formation tops have been noted. We request permission to plug the well as per the following procedure:

- 1) Set CIBP @ 6098'
  - 2) Run Cement Bond Log & submit for review prior to cementing
  - 3) Spot plug @ 6098' inside casing with 12 sks Class B neat cement (5998'-6098')
  - 4) Perforate @ 5313'. CR @ 5263' Spot plug, inside/outside casing with 82 sks Class B neat cement (5213'-5313')
  - 5) Perforate @ 3390'. CR @ 3340'. Spot plug inside/outside casing with 82 sks Class B neat cement (3290'-3390')
  - 6) Perforate @ 1770'. CR @ 1720'. Spot plug, inside/outside casing with 194 sks Class B neat cement (1350'-1770')
  - 7) Perforate @ 670'. CR @ 620'. Circulate cement to surface. Fill the production casing with Class B neat cement. Tag top of cement at surface
  - 8) Cut wellhead and install dry hole marker
- \* Add plug from 4282'-4382'

Notify NMOCD 24 hrs  
prior to beginning  
operations

RCVD JUN 18 '12  
OIL CONS. DIV.  
DIST. 3

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 Aliph Reena TITLE Production Engineer DATE June 15, 2012

Type or print name Aliph Reena E-mail address: aliph.reena@duganproduction.com PHONE: 505-325-1821

For State Use Only

APPROVED BY: Deputy Oil & Gas Inspector TITLE District #3 DATE 6/18/12

Conditions of Approval (if any):