

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 July 18, 2013

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

WELL API NO. 30-043-20940
5. Indicate Type of Lease Federal Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Federal Lease NM89021
7. Lease Name or Unit Agreement Name Little Sis
8. Well Number 1
9. OGRID Number 006515
10. Pool name or Wildcat Lybrook Gallup

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.

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

4. Well Location

Unit Letter K : 1650 feet from the South line and 1664 feet from the West line
 Section 31 Township 23N Range 6W NMPM Sandoval County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
7205' 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
 CLOSED-LOOP SYSTEM
 OTHER:

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB
 OTHER: Nitrogen and surface pressure increase

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.

Tubing and casing pressure increase was noted on 8/17/2015. Tubing pressure 180 psi, Casing pressure 180 psi. Gas sample was tested. There was increased Nitrogen in the produced gas. Pump jack motor won't run, and separator won't light. No clean up actions were required. Volume of communication is unknown. No information about the offsetting well operations are known.

OIL CONS. DIV DIST. 3

Well Bore Communication

AUG 31 2015

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 Petroleum Engineer DATE 8/27/15

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

ACCEPTED FOR RECORD

APPROVED BY: TITLE AV DATE

Conditions of Approval (if any):