

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. 300-045-35752
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. VB-2186-2
7. Lease Name or Unit Agreement Name Daisy
8. Well Number 1
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 TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	
2. Name of Operator Dugan Production Corp.	
3. Address of Operator PO Box 420, Farmington, NM 87499-0420	
4. Well Location Unit Letter <u>D</u> : <u>916</u> feet from the <u>North</u> line and <u>1076</u> feet from the <u>West</u> line Section <u>32</u> Township <u>25N</u> Range <u>12W</u> NMPM San Juan County	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6357' GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: TD, production casing <input checked="" type="checkbox"/>	

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.

Drill to TD @ 1340' on 11/12/17. Run 5-1/2" 15.5# J-55 casing in 7-7/8" hole. Set @ 1114', float collar @ 1072'. Cement w/140 sks, 273.0 cu ft, Halliburton HalCem cement blend (12.4#/gal, 1.95 cu ft/sk, 10.07 gals/sk mix water) as lead cement followed by 100 sks (138 cu ft) Class G w/50-50 cement blend as tail (13.5#/gal, 1.38 cu ft/sk, 5.85 gals/sk mix water). Total cement volume 411 cu ft, 73.2 bbls. Displaced w/30.3 bbls water. Circulated 30 bbls cement to surface. D&D Rig #1 released on 11/15/17. Pressure test will be reported on completion sundry. ✓

OIL CONS. DIV DIST. 3

Spud Date:

Rig Release Date: NOV 27 2017

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

SIGNATURE Kurt Fagrelus TITLE Vice-President, Land & Exploration DATE 11/21/17

Type or print name Kurt Fagrelus E-mail address: kfagrelus@duganproduction.com PHONE: 505-325-1821

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APPROVED BY: Monica Kuehling TITLE Deputy Oil & Gas Inspector, District #3 DATE 12-4-17
Conditions of Approval (if any): AV