

Submit 3 Copies 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

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

Form C-103  
March 4, 2004

WELL API NO. 30-045-33927  
5. Indicate Type of Lease  
STATE ☒ FEE ☐  
6. State Oil & Gas Lease No.  
B-11571  
7. Lease Name or Unit Agreement Name  
Sponge Bob SWD  
8. Well Number  
1  
9. OGRID Number  
006515  
10. Pool name or Wildcat  
SWD; Morrison Bluff Entrada

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 ☐ SWD

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 : 2300 feet from the South line and 1810 feet from the West line

Section 36 Township 30N Range 14W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
5608' GL

Pit or Below-grade Tank Application (For pit or below-grade tank closures, a form C-144 must be attached)

Pit Location: UL        Sect        Twp        Rng        Pit type        Depth to Groundwater        Distance from nearest fresh water well         
Distance from nearest surface water        Below-grade Tank Location UL        Sect        Twp        Rng        ;  
feet from the        line and        feet from the        line

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 COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Completion SWD-1046 ☒

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Pressure test casing to 3000 psig, held. Ran GR-CCL-CNL logs. Perforate Entrada Sandstone from 7062'-72'; 7072'-92'; 7092'-7173'; 7173'-83'; 7183'-7222' (total of 189 holes). Acidize w/2000 gals 7.5% HCL acid.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE John C. Alexander TITLE Vice-President DATE November 16, 2006

Type or print name John C. Alexander E-mail address: johncalexander@duganproduction.com Telephone No. 505-325-1821

(This space for State use)

APPROVED BY H. Villanueva TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 3 DATE NOV 20 2006  
Conditions of approval, if any:

8 11/20