

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

Form C-103
May 27, 2004

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

WELL API NO. 30-045-33066
5. Indicate Type of Lease <i>Federal Lease</i> STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. NM-96802
7. Lease Name or Unit Agreement Name Bonanza
8. Well Number 91
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 ☐ 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 A : 990 feet from the North line and 1300 feet from the East line
Section 26 Township 23N Range 11W NMPM San Juan County

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

6323' GR

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type workover Depth to Groundwater >100' Distance from nearest fresh water well >1000' Distance from nearest surface water 950'

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume 20 bbls; Construction Material earthen

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Construct workover pit ☒

OTHER: ☐

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.

Plan to construct a workover pit. Pit size will be 6' x 6' x 4'. Pit volume will be 20 bbls. The pit will be fenced and have a 12 mil liner. The fresh water will be vacuumed out.

Plan to build, fence, use and abandon the pit in the same day.

Pit closure will be modified only as necessary to comply with BLM stipulations.

RCUD MAY14'07
OIL CONS. DIV.
DIST. 3

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 Kurt Fagrelus TITLE Vice-President, Geology DATE May 11, 2007

Type or print name Kurt Fagrelus E-mail address: kfagrelus@duganproduction.com Telephone No. 325-1821

For State Use Only

APPROVED BY: Brandon Powell
Conditions of Approval (if any)

DEPUTY OIL & GAS INSPECTOR, DIST. 3

DATE MAY 14 2007