

October 13, 2009

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

Energy, Minerals and Natural Resources

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

WELL API NO. <u>30-045-35013</u>
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Federal I Com
8. Well Number <u>102 S</u>
9. OGRID Number <u>6515</u>
10. Pool name or Wildcat Harper Hill Fruitland Sand-PC/ Basin Fruitland Coal
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>5401 GL</u>

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 <u>Dugan Production Corp.</u>	
3. Address of Operator <u>PO Box 420, Farmington, NM. 87499</u>	
4. Well Location Unit Letter <u>I</u> : <u>2365</u> feet from the <u>South</u> line and <u>1220</u> feet from the <u>East</u> line Section <u>12</u> Township <u>29N</u> Range <u>14W</u> NMPM County <u>San Juan</u>	

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐OTHER: Drilling Operations ☒

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.

Drilled to 1260' TD @ 1730 hrs on 10/18/10. Ran 5 1/2" 15.5# J-55 csg & land @ 1252', Float collar @ 1222'. BJ Services cemented w/125 sx Premium Lite FM w/3% CaCl₂, 1/4#/sx celloflake, 5#/sx LCM, 0.4% FL-52, 8% Bentonite & 0.4% Sodium Metasilicate, followed by 75 sx Type III cement w/1#/sx CaCl₂, 1/4#/sx celloflake, 0.2% FL-52 (369 cf slurry). Circulate 14 bbls cement. Rig released @ 1600 hrs 10/18/10.

RCVD OCT 28 '10

OIL CONS. DIV.
DIST. 3REPORT PRESSURE TEST FOR 5 1/2" CASING NEXT REPORT

Spud Date:

10-11-10

Rig Release Date:

10-18-10

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

Replaced 10-21-10 Form C-103

SIGNATURE

TITLE

Vice President

DATE 10/27/2010

Type or print name

John Alexander

E-mail address:

PHONE: 505-325-1821

For State Use Only

Deputy Oil & Gas Inspector,
District #3

APPROVED BY:

TITLE

DATE NOV 17 2010

Conditions of Approval (if any):