

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30 045 22175
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. LG-1917
7. Lease Name or Unit Agreement Name Mesa
8. Well No. #3
9. Pool name or Wildcat Potwin PC Ext.
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6797' GR

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.)

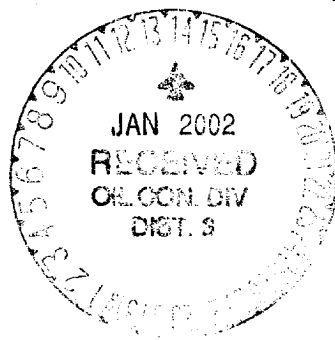
1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER
2. Name of Operator Dugan Production Corp.
3. Address of Operator P. O. Box 420, Farmington, NM 87499-0420

4. Well Location Unit Letter <u>Q</u> : <u>790</u> Feet From The <u>South</u> Line and <u>1750</u> Feet From The <u>East</u> Line Section <u>16</u> Township <u>24N</u> Range <u>8W</u> NMPM <u>San Juan</u> County

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> OTHER: <input type="checkbox"/>
SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> CASING TEST AND CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/>
PLUG AND ABANDON <input checked="" type="checkbox"/> CHANGE PLANS <input checked="" type="checkbox"/>

12. 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.

Plug well by filling 2-7/8" casing from CIBP at 1,889' to surface.



I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Terry Kochis TITLE Petroleum Engineer DATE 01/12/02
TYPE OR PRINT NAME Terry Kochis TELEPHONE NO. 325-1821

(This space for SPECIAL SIGNED BY CHANCELLER T. KITCHEN)
APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

JAN 14 2002