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5a. Indicate Type of Lease State <input checked="" type="checkbox"/> Fee <input type="checkbox"/>
5. State Oil & Gas Lease No. LG-1035

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.)

OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>	7. Unit Agreement Name
Name of Operator Dugan Production Corp.	8. Farm or Lease Name Holly
Address of Operator P O Box 208, Farmington, NM 87401	9. Well No. #1
Location of well UNIT LETTER <u>L</u> <u>1850'</u> FEET FROM THE <u>South</u> LINE AND <u>990</u> FEET FROM THE <u>West</u> LINE, SECTION <u>16</u> TOWNSHIP <u>24 N</u> RANGE <u>9 W</u> NMPM.	10. Field and Pool, or Wildcat Basin Dakota
15. Elevation (Show whether DF, RT, GR, etc.) 68882' GL 6894' KB	12. County San Juan

16. 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"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER <input type="checkbox"/>	OTHER <u>completion</u> <input checked="" type="checkbox"/>
PLUG AND ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
CHANGE PLANS <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>

17. 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.

9-30-81 Perforate Dakota 6431, 33, 35, 37, 46, 48, 50, 52.

10-1-81 Acidize w/ 250 gal. 15% HCL.

SEE REVERSE FOR DETAILS OF FRAC 10-3-81 and 1½" TBG. 10-5-81.



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

SIGNED Jim L. Jacobs TITLE Geologist DATE 10-7-81

Original Signed by CHARLES GHOLSON

DEPUTY OIL & GAS INSPECTOR, DIST. #3

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:DATE OCT 7 - 1981

10-3-81 Rig up Western Co. Fraced well as follows:

6,000 gal Mini Max III-30 w/ 2% oil phase - pad
3,000 gal Mini Max III-30 w/ 2% oil phase w/ 1/2# 20-40 sand
3,000 gal Mini Max III-30 w/ 2% oil phase w/ 1# 20-40 sand
6,000 gal Mini Max III-30 w/ 2% oil phase w/ 1 1/2# 20-40 sand
6,000 gal Mini Max III-30 w/ 2% oil phase w/ 2# 20-40 sand
6,000 gal Mini Max III-30 w/ 2% oil phase w/ 3# 20-40 sand
4,308 gal fresh water flush

ISDP 2600 spi 15 min 200 psi
Max press 3500 psi, Min press 3200
Ave treating press 3250 at 18 BPM

Totals:	30,000 gal Mini Max III-30	32 gal x-cide
	42,000# 20-40 sand	25# B-5 breaker
	600 gal diesel	33 gal CL-9
	32 gal Aquaflow	

10-5-81 Opened well up. Flowing back small amount of water. Went in hole w/ tbg. Tagged up at 6465'. Landed tbg. as follows:

201 jts. 1 1/2" OD, 2.9#, V-55, 10 Rd, EUE tbg.
T.E. 6432.49' set at 6440' RKB w/ cross pin on bottom
for swab stop.

Rig up swab. Swabbed well down to 2400'. Shut in.

10-6-81 Csg. press "0" psi. Fluid level 1100' down from surface.
Swabbed down to 3300'. Fluid is gas cut. Show of gas increasing.