Submit 3 Copies Form C-103 3 NMOCD to Appropriate District Office Energy, Minerals and Natural Resources Department Revised 1-1-89 1 File OIL CONSERVATION DIVISION DISTRICT 1 WELL API NO. P.O. Box 1980, Hobbs, NM \$8240 P.O. Box 2088 30-045-27693 DISTRICT Santa Fe, New Mexico 87504-2088 P.O. Drawer DD, Artesia, NM 88210 5. Indicate Type of Lease STATEX FEE L DISTRICT III 1000 Rio Brazos Rd., Azlec, NM 87410 State Oil & Gas Lease No. V-2364 SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A 7. Lease Name or Unit Agreement Name DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Road Runner WELL WELL X OTHER 2. Name of Operator 8. Well No. DUGAN PRODUCTION CORP. 3. Address of Operator 9. Pool name or Wildcat P.O. Box 420, Farmington, NM 87499 South Bisti Gallup Ext. 4. Well Location 0 . 660 __ Feet From The _ South 1980 Feet From The East Line and Line 36 24N 11W San Juan Range Section Township County 10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6565' GL; 6577' RKB Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WERKS REUG AND ABANDON REMEDIAL WORK **ALTERING CASING** TEMPORARILY ABANDON CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT **PULL OR ALTER CASING** CASING TEST AND CEMENT JOB OIL CON. DIV OTHER: Spud, surface casing and cement ΚX OTHER: 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. Moved in and rigged up Four Corners Drilling Co. Rig #14. Spudded

a 12-1/4" hole at 2:45 P.M. 4-18-91. Drilled to 225'. Ran 5 jts. 8-5/8" OD, 24#, 8 Rd, ST&C casing (T.E. 205') set @ 217' RKB. Cemented with 150 sx (total cement slurry = 177 cu.ft.) class "B" cement with 2% CaCl2. P.O.B. at 8:00 P.M. 4-18-91. Circulated 5 Nippled up BOP after 6 hrs W.O.C. bbls cement to surface.

I hereby certify that the information above in true and complete to the best of my knowledge and belief. Geologist SKINATURE . Jim L. J#cobs TYPE OR PRINT NAM TELEPHONE NO. (This space for State Use) - TIME SUPERVISOR DISTRICT #3 APR 2 2 1991 Original Signed by FRANK T. CHAVEZ

Pressure tested surface casing and BOP 600 psi for 30 minutes -

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY -

held OK.