State of New Mexico 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 WELL API NO. P.O. Box 1980, Hobbs, NM 88240 P.O. Box 2088 30-045-27695 Santa Fe, New Mexico 87504-2088 DISTRICT P.O. Drawer DD, Artesia, NM \$8210 5. Indicate Type of Lease FEE State Oil & Gas Lease No. V-2364 1000 Rio Brazos Rd., Aztec, NM 87410 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.) Type of Well: Road Runner GAS WELL MET [] 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. Well Location 600 South Line and 500 West _ Feet From The Line Feet From The __ Unit Letter 36 hip 24N Range 11W 10. Elevation (Show whether DF, RKB, RT, GR, etc.) San Juan County Section Township 6555' GR; 6567' RKB Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: ALTERING CASING PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK CHANGE PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDONMENT TEMPORARILY ABANDON CASING TEST AND CEMENT JOB **PULL OR ALTER CASING** Extend APD XX OTHER: 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. Request a 6 month extension of time on approved APD. APPROVAL EXPIRES UNLESS DRILLING IS COMMENCED. SPUD NOTICE MUST BE SUBMITTED WITHIN 10 DAYS I hereby certify that the information above is true and complete to the best of my knowledge and belief. _ mre_Operations Manager_ John Alexander TELEPHONE NO. TYPE OR PRINT NAME (This space for State Use) THE DESCRIPTION OF R GAS MERSONS FO APTROVED BY-

CONDITIONS OF APPROVAL, IF ANY: