

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
311 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised March 25, 1999

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

| |
|---|
| WELL API NO. 30 045 30606 |
| 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: McDaniel B |
| 8. Well No. 2 |
| 9. Pool name or Wildcat Fulcher Kutz Pictured Cliffs |
| 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5550' GL |

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG A WELL IN 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 (505)325-1821 |
| 4. Well Location Unit Letter <u>M</u> : <u>850</u> feet from the <u>South</u> line and <u>820</u> feet from the <u>West</u> line Section <u>17</u> Township <u>29N</u> Range <u>11W</u> NMPM County <u>San Juan</u> |
| 10. Elevation (Show whether DR, RKB, RT, GR, etc.) 5550' GL |

11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

| | |
|--|--|
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPLETION <input type="checkbox"/> |
| OTHER: <input type="checkbox"/> | |

SUBSEQUENT REPORT OF:

| | |
|---|---|
| REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDONMENT <input type="checkbox"/> |
| CASING TEST AND CEMENT JOB <input type="checkbox"/> | |
| OTHER: <input checked="" type="checkbox"/> | Production casing |

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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

Drill to TD 1850' on 5/10/01. Ran open hole logs IES, CDL, CNL, caliper & Gamma Ray. Ran 4½" 10.5#/ft Tex tube casing. Land @ 1849'. Cement with 103 cu ft class "B" containing 2% Lodense and ¼# celloflake/sx. Tail with 236 cu ft containing ¼# celloflake/sx. Circulate 1 bbl cement. Job complete 5/11/01.

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

SIGNATURE Terry Kochis TITLE Engineer DATE 5/17/01

Type or print name Terry Kochis Telephone No. 325-1821

(This space for State use)

APPROVED BY DEPUTY OIL & GAS DIVISION DIST. 4 TITLE DEPUTY OIL & GAS DIVISION DIST. 4 DATE MAY 22 2001

Conditions of approval, if any: