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| Well Name: PGA UNIT | Well Location: T23N / R11W / SEC 10 / NWSW / 36.239054 / -107.997867 | County or Parish/State: SAN JUAN / NM |
| Well Number: 103 | Type of Well: COALBED NATURAL GAS WELL | Allottee or Tribe Name: |
| Lease Number: NMNM109404 | Unit or CA Name: | Unit or CA Number: NMNM128992X |
| US Well Number: 300453586500X1 | Well Status: Drilling Well | Operator: DUGAN PRODUCTION CORPORATION |

Subsequent Report

Sundry ID: 2641973

Type of Submission: Subsequent Report

Date Sundry Submitted: 10/28/2021

Date Operation Actually Began: 10/12/2021

Type of Action: Casing

Time Sundry Submitted: 07:45

Actual Procedure: MI&RU Aztec Drilling Rig #507 10/11/2021. Spud PGA Unit 103 at 12:00 AM 10/12/2021. Drilled 12-1/4" hole w/12-1/4" tricone bit to 190' GL. Ran 4 joints 8-5/8", 24#, J-55 casing to 169' GL. Float collar @ 127'. Centralizers on joints 2 & 3. Cemented w/160 sks Class G, 188 cu ft cement w/1% CaCl2, 0.25 lb/sk celloflake, 0.2% CD-2 (15.8#/gal, 1.18 cu ft/sk, 5 gps mix). Dropped plug. Displaced w/8 bbls water. Circulated 14 bbls cement to surface. Bumped plug. Plug on bottom @ 10:45 PM 10/12/2021. WOC 10 hrs. RU Wilson Services for testing. Tested surface casing, BOP, choke manifold and annular for 30 minutes to 800 psi high and 200 psi low. All tests passed.

Received by OCD: 11/2/2021 10:44:37 AM

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Operator Certification

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

| | |
|---|----------------------------------|
| Operator Electronic Signature: TYRA FEIL | Signed on: OCT 28, 2021 07:44 AM |
| Name: DUGAN PRODUCTION CORPORATION | |
| Title: Authorized Representative | |
| Street Address: PO Box 420 | |
| City: Farmington | State: NM |
| Phone: (505) 325-1821 | |
| Email address: tyrafeil@duganproduction.com | |

Field Representative

| | | |
|--|-----------|-----------------|
| Representative Name: ALIPH REENA | | |
| Street Address: PO BOX 420 | | |
| City: FARMINGTON | State: NM | Zip: 87499-0420 |
| Phone: (505)325-1821 | | |
| Email address: aliph.reena@duganproduction.com | | |

BLM Point of Contact

| | |
|---------------------------------|---|
| BLM POC Name: KENNETH G RENNICK | BLM POC Title: Petroleum Engineer |
| BLM POC Phone: 5055647742 | BLM POC Email Address: krennick@blm.gov |
| Disposition: Accepted | Disposition Date: 11/01/2021 |
| Signature: Kenneth Rennick | |

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720

District II

811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 59281

CONDITIONS

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| Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499 | OGRID: 6515 |
| | Action Number: 59281 |
| | Action Type: [C-103] Sub. Drilling (C-103N) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|-----------|----------------|
| jagarcia | None | 12/3/2021 |