

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-005-10505
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. OG-1062
7. Lease Name or Unit Agreement Name KM CHAVEROO SA UNIT
8. Well Number 15
9. OGRID Number 006515
10. Pool name or Wildcat CHAVEROO EXT.

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.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator
DUGAN PRODUCTION CORP.

3. Address of Operator
P.O. BOX 420 FARMINGTON, NM 87499

4. Well Location

Unit Letter L: 1980 feet from the SOUTH line and 660 feet from the WEST line
Section 2 Township 8S Range 33E NMPM CHAVES County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type STEEL Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☒
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☒ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. 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 recompletion.

PROCEDURE:

1. MIRU - PLUGGING EQUIPMENT AND STEEL PITS
 2. ND WELL HEAD - NU BOP - POH WITH PRODUCTION EQUIPMENT
 3. RIH WITH GAUGERING - POH - RIH WITH 5 1/2" CIBP TO 4158' - DUMP 15' CEMENT ON TOP
 4. RIH WITH TUBING - CIRCULATE PLUGGING MUD - CALCULATE FREE POINT OF 5 1/2" CASING
 5. RIH AND SPOT 25 SACKS FROM 3552' - 3452'
 6. CUT 5 1/2" CASING @ +/- 2300' - POH
 7. RIH AND SPOT 50 SACKS FROM 2350' - 2250' - TAG PLUG
 8. RIH AND SPOT 35 SACKS @ 478' - 378' - TAG PLUG
 9. CIRCULATE 20 SACKS FROM 60' TO SURFACE
 10. CUT OFF WELLHEAD, CUT OFF ANCHORS, COVER CELLAR, COVER PIT, & MOVE OUT
- STEEL PITS WILL BE USED FOR THIS PROCEDURE

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE John Alexander TITLE Vice President DATE 3/26/2007

Type or print name John Alexander E-mail address: john.alexander@duganproduction.com Telephone No. 505-325-1821

For State Use Only

APPROVED BY: Harry W. Wink TITLE OCD FIELD REPRESENTATIVE II/STAFF MANAGER DATE APR 09 2007

Conditions of Approval (if any)

THE OIL CONSERVATION DIVISION MUST
BE NOTIFIED 24 HOURS PRIOR TO THE
BEGINNING OF PLUGGING OPERATIONS.

Dugan Production Corp.

K. M. Chavero #15

8 5/8" #
@ 428'Cement to
surface

1780' + 31' + 555' FWI

S. 2-T. 83-R 33E

Cheves Co., NM

API 30-005-10505

137 JTS 8 3/8" EUE J-T G + 4314'
70-3/4" x 100-5/8" Rods← Calculated cmt top 2200'
using 75% of cement volume
(TOL 1480' using 100% cmt volume
in 9049 hole)

SAN ANDRES Ports 4208' - 4331'

5 1/2" 14# @ 4346' IN 7 7/8" hole
cmt 350 SKS INCOR PORT + 2% 901

PBD 4343'