

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JAN 17 2017

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

Farmington Field Office
Bureau of Land Management

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NM-10875
2. Name of Operator Dugan Production, c/o Westmoreland, San Juan Coal		6. If Indian, Allottee or Tribe Name
3a. Address PO Box 561, Water Flow, NM 87421	3b. Phone No. (include area code) 505-598-2000	7. If Unit or CA/Agreement, Name and/or No. 33034
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 866' FSL and 237' FEL, Sec. 13, T-30-N, R-15-W Lat: 36.8092 N, Lon: -108.3605 W		8. Well Name and No. Sly Slav Com #90S
		9. API Well No. 30-045-31958
		10. Field and Pool, or Exploratory Area Basin Fruitland Coal
		11. County or Parish, State San Juan, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Dugan Prodcution c/o Westmoreland, San Juan Coal Plugged and Abandoned this well per the attached report.

OIL CONS. DIV DIST. 3

Underground P&A marker is located at N 36° 48' 33.1" / W 108° 21' 37.7".

JAN 23 2017

A closed loop system was used for all waste fluid from this plugging activity.

ACCEPTED FOR

JAN 18 2017

FARMINGTON FIELD OFFICE
BY: *Madden*

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Eric Herth

Title Mine Geologist

Signature

Date

01/13/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

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.

(Instructions on page 2)

NMOCD A

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A-PLUS WELL SERVICE, INC.

P.O. BOX 1979
Farmington, New Mexico 87499
505-325-2627 *fax: 505-325-1211

Westmoreland, San Juan Coal
Sly Slav Com #90S

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866' FSL and 237' FEL, Section 13, T-30-N, R-15-W
San Juan County, NM
Lease Number: NM 10875
API #30-045-31958

Plug and Abandonment Report

Notified NMOCD and BLM on 12/9/16

Plug and Abandonment Summary:

Plug #1 to cover Pictured Cliffs top and isolate Fruitland Coal production zone; spot 40 sxs (47.2 cf) Class B cement with 18% salt by weight of water, from 1080' to 553' inside the 4.5" casing; TOH and load casing with 4 bbl. water and squeeze total of 2.5 bbl. (12 sxs cement) outside the 4.5" casing; final squeeze pressure at 800 PSI for 30 min. WOC overnight and then tag with tubing at 734'.

Plug #2 to cover the Pictured Cliffs and Fruitland tops and to isolate coal seam #8; with milled interval from 927' to 952'; and 6 HSC squeeze holes each at 883' and 833'; 1) mix and spot 48 sxs (56.6 cf) Class B cement with 18% salt (BWOW) from 960' to 328' inside the 4.5"; 2) TOH with tubing; 3) load well with 2 bbl. water (tubing displacement 1.6 bbl.); and 4) squeeze 0.25 bbl. cement (total of 3 sxs cement) into milled interval and squeeze holes until pressure held at 800 PSI. WOC over weekend and then tag with tubing at 364'.

Plug #3 to cover the 7" casing shoe; spot 38 sxs (44.8 cf) Class B cement inside the 4.5" casing from 364' to surface. SI and WOC.

Work Details:

12/13/16 MOL and RU. Check well pressures: SITP 0 PSI, SICP 35 PSI, SIBHP 0 PSI. Blow down 4.5" casing. Unseat pump and POH with 2' pony rod, 39 3/4" rods and pump. ND wellhead. NU BOP. TOH with 32 joints 2.375" 4.7# tubing, perforated sub, and bull plug. SDFN.

12/14/16 Check well pressures: No tubing, SICP 30 PSI, SIBHP 0 PSI. Function test BOP. TIH with Bottom Hole Assembly (BHA): new 3.875" 3-blade mill, bit sub, 6 - 3.125" drill collars, cross over; and then 2.375" A-Plus tubing workstring. Soft tag at 1072'. RU drilling equipment. Ream down to 1078'. Drill from 1078' to 1080'. Rubber in returns at 1080'. TOH. Run CBL from 1080' to surface; pump 60 bbl. water down casing while logging to keep hole full. TOC at 90'. Run gyro from surface to 1080'. Run gamma/neutron log from 1080' to surface. SDFN.

12/15/16 Check well pressures: No tubing, SICP 35 PSI and SIBHP 0 PSI. Function test BOP. Eric Herth with San Juan Coal determined coal seam #8 from 933' to 944'. Casing to be milled from 927' to 950'. Pictured Cliffs isolating squeeze holes to be at 1078', 1044', 994', 883', and 833'; depths approved by J Ruybalid with BLM and B Powell with NMOCD. RIH with HSC and shoot 6 holes at 1077' to 1079', 1043' to 1045', 993' to 995'. TIH with open ended tubing to 1080'. Load casing with 16 bbl. water. **Set plug #1** with calculated TOC at 700'. WOC overnight. SDFN.

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Work Details:

- 12/16/16 Check well pressures: No tubing, SICP 0 PSI and SIBHP 0 PSI. Function test BOP. TIH with BHA and tag TOC at 734'. Drill cement from 734' to 960' with bit. TOH with bit. TIH with Weatherford 3.875" section mill and drill collars (new BHA). Lower knives to 926.5' and start rotation; knives fully deployed at 927'. Mill casing from 927' to 931'. Close knives and LD 1 joint tubing. SDFN
- 12/19/16 Check well pressures: SITP 0 PSI, SICP 0 PSI. Thaw out equipment. PU 1 joint and continue to mill out 4.5" casing from 931' to 937.5'. TOH with BHA and inspect knives on section mill. SDFN.
- 12/20/16 Check well pressures: No tubing, SICP 0 PSI, SIBHP 0 PSI. Function test BOP. TIH with section mill and BHA. Deploy knives; mill casing from 937.5' to 939.5'. PU 1 joint tubing; mill from 939.5' to 948'. LD 1 joint and pull up. SDFN.
- 12/21/16 Check well pressures: SITP 0 PSI, SICP 0 PSI, SIBHP 0 PSI. Function test BOP. RU drilling equipment and resume milling casing from 948' to 950'. Little cement in returns. TOH with tool to inspect knives. Replace knives. TIH with tool and open at 940'. Resume milling. Mill down to 947'; start getting torque; continue milling from 947' to 950' with cement in returns. TOH with BHA, RU Jet West and ran caliper log that shows casing milled good down to 948'. Eric Herth with San Juan Coal required to mill an additional 4' (down to 952'). TIH with BHA and section mill to 948'. Mill casing from 948' to 952' with good metal and cement in returns. Pull up and LD 2 joints tubing. SDFN
- 12/22/16 Check well pressures: SITP 0 PSI, SICP 0 PSI, SIBHP 0 PSI. Function test BOP. TOH with BHA. RU Jet West and ran caliper log that shows 4.5" casing milled good through coal seam #8. Load casing with 4.5 bbl. water and establish rate of 2 BPM at 300 PSI. Shoot 6 HSC holes at 882' to 884'. Establish rate 2 BPM at 300 PSI. Shoot second set 6 HSC holes at 832' to 834. Establish rate down casing of 2 BPM at 300 PSI. TIH with tubing open ended to 960' and circulate well clean with 18 bbl. water. Premix 450 lbs. salt with 7.25 bbl. water and 0.5 lbs. cement dye. **Set plug #2.** TOH. SDFD.
- 12/27/16 Check well pressures: No tubing, SICP 0 PSI, SIBHP 0 PSI. Function test BOP. TIH and tag plug #2 at 364'. Load casing with 5 bbl. water and pressure test to 800 PSI, held OK. Load BH annulus with 1.25 bbl. and pressure test to 300 PSI, held OK. **Set plug #3.** SI and WOC. ND BOP and RD rig. Dig out and cutoff WH. Found TOC at surface in 4.5" casing and TOC at 76' in 4.5" x 7" annulus. Top off annulus with 14 sxs (16.5 cf) Class B cement. Install below grade plate dry hole marker with coordinates N 36° 48' 33.1" / W 108° 21' 37.7". RD and MOL.

Jose Ruybalid with BLM on location; Wes Lackey with Weatherford on location

I hereby certify that the foregoing is true and correct



Phillip Fitzpatrick
Field Supervisor
A-Plus Well Service, Inc.

Date: December 23, 2016