

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

DEC 13 2017

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

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.

5. Lease Serial No. NM State VA-2966

6. Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

7. If Unit of CA/Agreement, Name and/or No.
PGA Unit NM128992X

8. Well Name and No. PGA Unit 16 #1

9. API Well No. ~~30-045-35852~~ 30-045-35861

10. Field and Pool or Exploratory Area
Basin Fruitland Coal

11. Country or Parish, State
San Juan County, New Mexico

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator Dugan Production Corp.

3a. Address 709 East Murray Drive
Farmington, New Mexico 87401

3b. Phone No. (include area code)
(505) 325-1821

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
709' FNL & 1790' FEL, Section 16, T23N, R11W

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" 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 type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<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 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

The well pad and part of access road and pipeline is located on NM State surface and mineral lease. Also, part of access road and pipeline is located on BLM surface. The APD was delivered to the NMOCD (12/11/2017), it is pending approval, a copy of which is included as Attachment 1.

OIL CONS. DIV DIST. 3
FEB 15 2018

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

Kurt Fagrelus

Title

Vice President, Land and Exploration

Signature

Kurt Fagrelus

Date

12/06/2017

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Samantha

Title

Sup NRS

Date

2/14/18

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

FTO

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 Accepted For Record

District I
4534 N French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720
District II
814 S. First St., Artesia, NM 88210
Phone (575) 748-4253 Fax (575) 748-9720
District III
1000 Rio Bravo Road, Arto, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-101
Revised July 18, 2013

☐ AMENDED REPORT

Attachment 1.

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address Dugan Production Corp. 709 East Murray Drive Farmington, New Mexico 87401		* OGRID Number 006515
		* API Number 30-045
* Property Code	* Property Name PGA Unit 16	* Well No #1

* Surface Location

UL - Lot	Section	Township	Range	Ect Eln	Feet from	N/S Line	Feet from	E/W Line	County
B	16	23N	11W		708	N	1790	E	San Juan

* Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Ect Eln	Feet from	N/S Line	Feet from	E/W Line	County
B	16	23N	11W		708	N	1790	E	San Juan

* Pool Information

Pool Name Basin Fruitland Coal	Pool Code
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Additional Well Information

*1 Well Type N	*2 Well Type G	*3 Cable/Rotary R	*4 Lease Type S	*5 Ground Level Elevation 6226'-GL
*6 Multiple N	*7 Proposed Depth	*8 Formation Pictured Cliffs/BFC	*9 Contractor TBD	*10 Spud Date ASAP
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

*11 Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/lb	Setting Depth	Sacks of Cement	Estimated TOC
Surface Csg	12-1/4"	8-5/8"	24# J-55 STC	120-ft	99-cf	Surface
Production Csg	7-7/8"	5-1/2"	14# J-55 STC	650-ft	120-cf	Surface

Casing/Cement Program: Additional Comments

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*12 Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2,000 psi	Low Press 250 psig High Press 2,000 psig	Schafer 9" 2000 Series

*13 I hereby certify that the information given above is true and complete to the best of my knowledge and belief
I further certify that I have complied with 19.15.14.9 (A) NMAC ☐ and/or 19.15.14.9 (B) NMAC ☐ if applicable.
Signature *Kurt Fagrellius*

Printed name **Kurt Fagrellius**
Title **Vice President Land and Exploration**
E-mail Address **kfagrellius@duganproduction.com**
Date **12/11/2017** Phone **505-325-1821**

OIL CONSERVATION DIVISION

Approved By

Title

Approved Date

Expiration Date

Conditions of Approval Attached

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

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

District III
1309 Rio Brazos Road Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6179

District IV
1220 S. St. Francis Drive Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3452

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised August 1, 2011

Submit one copy to
Appropriate District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Drive
Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number	*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code	*Property Name PGA UNIT 16	*Well Number 1
*OSRID No. 006515	*Operator Name DUGAN PRODUCTION CORPORATION	*Elevation 6226'

¹⁰ Surface Location

UL or Lot No.	Section	Township	Range	Lot E/W	Feet from the	North/South line	Feet from the	East/West line	County
B	16	23N	11W		708	NORTH	1790	EAST	SAN JUAN

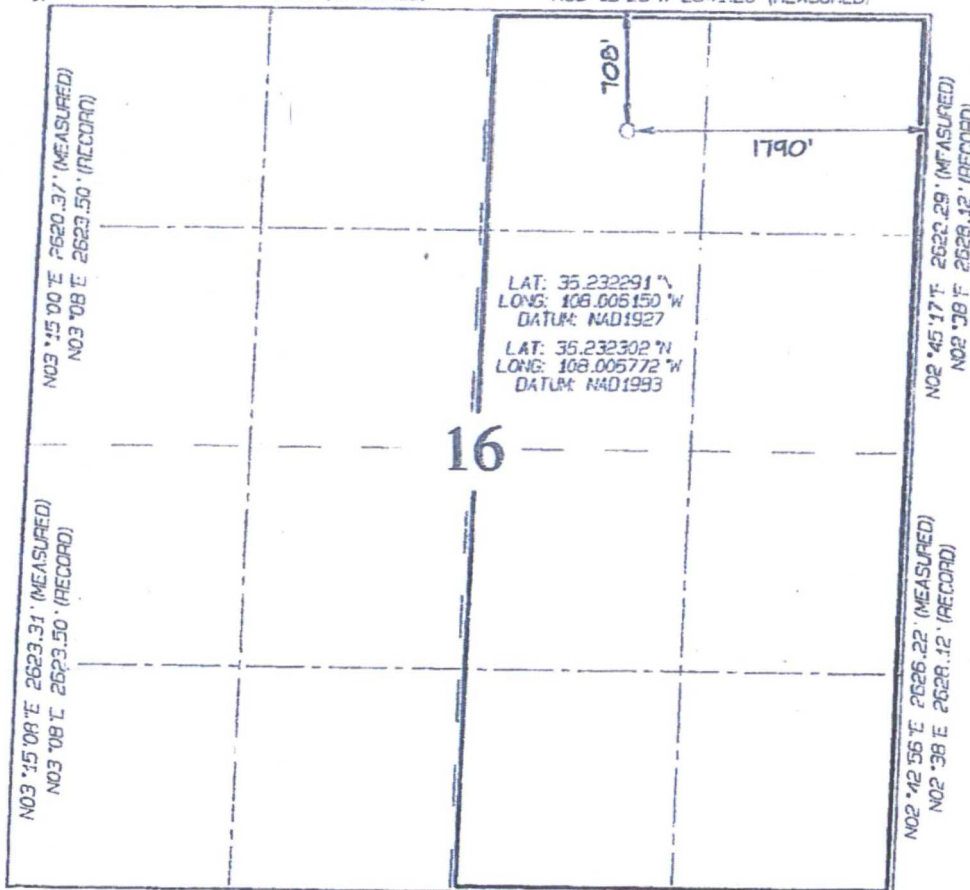
¹¹ Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot E/W	Feet from the	North/South line	Feet from the	East/West line	County
*Dedicated Acres 320.0 Acres - E/2					*Datum or Infill	*Consolidation Code	*Order No.		

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE
BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

N89°25'W 2645.28 (RECORD)
N89°19'12"W 2643.65 (MEASURED)

N89°25'W 2645.28 (RECORD)
N89°19'25"W 2641.20 (MEASURED)



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom-hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the Division.

Kurt Fagrelus 12/11/2017
Signature Date

Kurt Fagrelus
Printed Name
kfagrelus@duganproduction.com
E-mail Address

¹⁸ SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date Revised: OCTOBER 25, 2017
Date of Survey: OCTOBER 11, 2017

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269