

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM 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.***SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM24661
2. Name of Operator DUGAN PRODUCTION CORPORATION		6. If Indian, Allottee or Tribe Name
3a. Address 709 E MURRAY DRIVE FARMINGTON, NM 87499		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 505.325.1821		8. Well Name and No. JULY JUBILEE 2
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T24N R9W NWNW 0790FNL 0790FWL 36.290054 N Lat, 107.818115 W Lon		9. API Well No. 30-045-25123-00-S1
		10. Field and Pool or Exploratory Area UNDESIGNATED
		11. County or Parish, State SAN JUAN COUNTY, NM

**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 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 recomplete 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 recompletion 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.

Dugan Production Corp. plans to plug and abandon the well as per the following procedure:

- 1) Tag CIBP @ 5052'. Load hole. Pressure test casing to 600 psi. Run CBL.
- 2) Spot Plug I above BP from 5052' to 4760' w/26 sks (31 cu ft) Class B cement - Gallup Plug I: 4760'-5052'
- 3) Spot Plug II inside 4-1/2" casing from 4313'-4213' w/12 sks (14.2 cu ft) Class B cement - Mancos, Plug II: 4213'-4313'.
- 4) Spot inside Plug III from 2440' to 1960' w/42 sks (49.5 cu ft) Class B cement - Mesaverde-Chacra Plug III: 1960'-2440'.
- 5) Spot inside Plug IV from 1708' to 1350' w/28 sks (33 cu ft) Class B cement - Plug IV: Fruitland-PC 1350'-1708'.
- 6) Spot Plug V from 777' to 490' w/26 sks (31 cu ft) Class B cement - Plug V: Ojo Alamo-Kirtland

Notify NMOCD 24 hrs  
prior to beginning  
operations

NMOCD

AUG 16 2018

DISTRICT III

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #420534 verified by the BLM Well Information System For DUGAN PRODUCTION CORPORATION, sent to the Farmington Committed to AFMSS for processing by JACK SAVAGE on 08/14/2018 (18JWS0175SE)	
Name (Printed/Typed) ALIPH REENA	Title AGENT, ENGINEERING SUPERVISOR
Signature (Electronic Submission)	Date 05/18/2018

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By JACK SAVAGE	Title PETROLEUM ENGINEER	Date 08/14/2018
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 Farmington

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)

\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\*

NMOCD

**Additional data for EC transaction #420534 that would not fit on the form**

**32. Additional remarks, continued**

490'-777'.

7) Spot inside Plug VI from 252' to surface w/23 sks (27 cu ft) Class B cement - Plug VI: Surface - 0'.

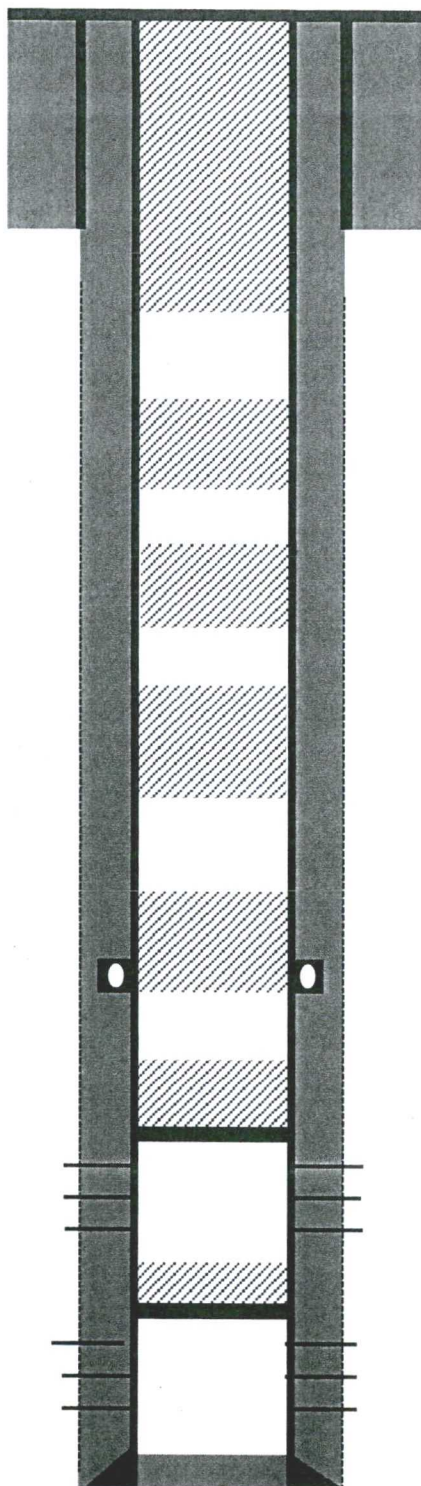
8) Cut wellhead. Tag TOC at surface. Fill cement in case needed.

9) Tag TOC behind 4-1/2" casing w/1" tubing. Fill up cement as needed.

10) Install dryhole marker. Clean location.

## Planned P & A Schematic

July Jubilee # 2  
30-045-25123  
S29 T24N R9W  
790' FNL 790' FWL  
San Juan County, NM



8 5/8" J-55 24# casing @ 202'. Cemented with 135 sks Class B w/ 2% CaCl<sub>2</sub>. Circulated cement to surface.

Spot plug from 252' to surface w/ 23 sks Class B @ 0-252' (27 cu.ft) [Plug VI: Surface]

Inside plug w/ 26 sks Class B (31 cu.ft) @ 490'-777' [Plug V: Ojo Alamo-Kirtland]

Inside plug w/ 28 sks Class B @ 1350'-1708' (33 cu.ft) [Plug IV: PC-Fruitland]

Inside plug w/ 42 sks Class B @ 1960'-2440' (49.5 cu.ft) [Plug III: Chacra-Mesaverde]

Inside plug w/ 12 sks Class B @ 4213'-4313' (14.2 cu.ft) [ Plug II: Mancos]

Cemented w/ 250 sks Class B w/ 4% gel followed by 150 sks Class B (557 Cu.ft). DV tool @ 4296'. 475 sks 65-35-12 followed by 100 sks Class B w/ 4% gel. (1396 cu.ft). Total slurry 1953 cu.ft.

Set CIBP @ 5052'. Inside plug w/ 26 sks Class B @ 4760'-5052' (31 cu.ft) [ Plug I: Gallup].

Gallup Perforated @ 5112'-5328', 38 holes

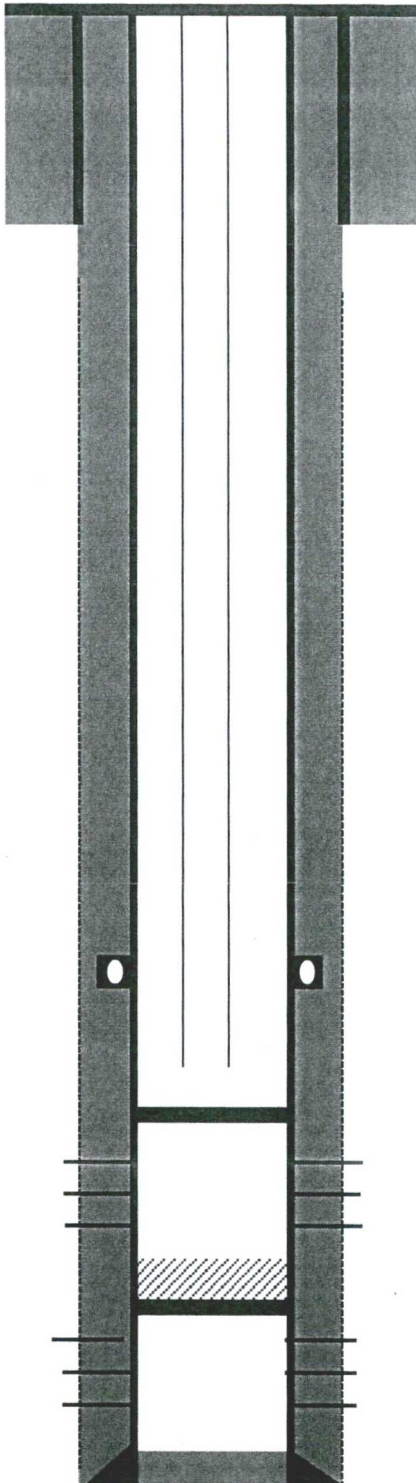
4 1/2" 10.5, 116. # casing @ 6403'. PBTD @ 6002'

BP set @ 6052' to plug Dakota perforations.  
Dakota perms @ 6102'-6108', 6260'-6270', 6287'-6297'. 26 holes.



## Current Wellbore Schematic

July Jubilee # 2  
30-045-25123  
S29 T24N R9W  
790' FNL 790' FWL  
San Juan County, NM



8 5/8" J-55 24# casing @ 202'. Cemented with 135 sks Class B w / 2% CaCl<sub>2</sub>. Circulated cement to surface.

Cemented w / 250 sks Class B w / 4% gel followed by 150 sks Class B (557 Cu.ft). DV tool @ 4296'. 475 sks 65-35-12 followed by 100 sks Class B w / 4% gel. (1396 cu.ft). Total slurry 1953 cu.ft.

2-3/8" J-55 Tubing set @ 4982'

CIBP @ 5052'

Gallup Perforated @ 5112'-5328', 38 holes

4 1/2" 10.5, 116. # casing @ 6403'. PBTD @ 6002'

BP set @ 6052' to plug Dakota perforations.  
Dakota perfs @ 6102'-6108', 6260'-6270', 6287'-6297'. 26 holes.

UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
FARMINGTON DISTRICT OFFICE  
6251 COLLEGE BLVD.  
FARMINGTON, NEW MEXICO 87402

Attachment to notice of  
Intention to Abandon:

Re: Permanent Abandonment  
Well: Jay Jubilee 2

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.
3. The following modifications to your plugging program are to be made:
  - a) Set Plug 5 (810 – 539) ft. to cover the Kirtland and Ojo Alamo tops. BLM picks top of Kirtland at 760 ft. BLM picks top of Ojo Alamo at 589 ft.

Operator will run a CBL to verify cement top. Submit the electronic copy of the log for verification to the following addresses: [jwsavage@blm.gov](mailto:jwsavage@blm.gov) [Brandon.Powell@state.nm.us](mailto:Brandon.Powell@state.nm.us)

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.