

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.*5. Lease Serial No.  
NMNM119288

6. If Indian, Allottee or Tribe Name

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

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: COAL BED METHANE8. Well Name and No.  
FLATS 1

2. Name of Operator

DUGAN PRODUCTION CORPORATION

Contact: ALIPH REENA

Email: aliph.reena@duganproduction.com

9. API Well No.  
30-045-35845-00-X1

3a. Address

709 E MURRAY DRIVE  
FARMINGTON, NM 87499

3b. Phone No. (include area code)

Ph: 505.325.1821

10. Field and Pool or Exploratory Area  
BASIN FRUITLAND COAL

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 6 T23N R11W NENE 1000FNL 660FEL  
36.260544 N Lat, 108.036949 W Lon

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 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"/> 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Drilling Operations
	<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.

Drill to TD @ 665' on 11/22/17. Run 5.5, 15.5# J-55 ST&C csg in 7-7/8" hole. Land @ 652', float collar @ 610'. Cement w/150 sx (207 cu ft) Class G w/50-50 cement blend as tail (13.5#/gal, 1.38 cu ft/sk, 5.85 gals/sk mix water). Total cement volume 207 cu ft, 37 bbls. Displace w/14.5 bbls fresh water. Circulate 15 bbls cement to surface. D&D Drilling released 11/23/17. Pressure test to be reported on completion sundry.

NMOC

JUL 23 2018

DISTRICT III

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #426562 verified by the BLM Well Information System  
For DUGAN PRODUCTION CORPORATION, sent to the Farmington  
Committed to AFMSS for processing by JACK SAVAGE on 07/18/2018 (18JWS0157SE)

Name (Printed/Typed) ALIPH REENA

Title AGENT, ENGINEERING SUPERVISOR

Signature (Electronic Submission)

Date 07/06/2018

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

Approved By

ACCEPTED

JACK SAVAGE  
Title PETROLEUM ENGINEER

Date 07/18/2018

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 \*\***

NMOC

COMPANY MAN

# HALLIBURTON

iCem Service

**DUGAN PRODUCTION CORP EBUS**

**For: MARTY FOUTZ**

Date: Thursday, November 23, 2017

**FLATS #1**

FLATS #1

DUGAN

Job Date: Wednesday, November 22, 2017

Sincerely,

**LEMONT JOJOLA**

**HALLIBURTON****Cementing Job Summary***The Road to Excellence Starts with Safety*

Sold To #: 301906	Ship To #: 3839244	Quote #: 0022377180	Sales Order #: 0904453333
Customer: DUGAN PRODUCTION CORP-EBUS		Customer Rep: MARTY FOUTZ	
Well Name: Flats	Well #: #1	API/UWI #:	
Field:	City (SAP): BLOOMFIELD	County/Parish: SAN JUAN	State: NEW MEXICO
Legal Description:			
Contractor:		Rig/Platform Name/Num: D&J #1	
Job BOM: 7523 7523			
Well Type: OIL & GAS WELL			
Sales Person: HALAMERICA\HB86339		Srcv Supervisor: Lemont Jojola	
Job			

Formation Name	
Formation Depth (MD)	Top
Form Type	BHST
Job depth MD	700ft
Water Depth	
Perforation Depth (MD)	From To

Well Data										
Description	New / Used	Size in	ID in	Weight lbm/ft	Thread	Grade	Top MD ft	Bottom MD ft	Top TVD ft	Bottom TVD ft
Casing		8.625	8.097	24	STC	J-55	0	120		
Casing		5.5	4.95	15.5	LTC	J-55	0	700		
Open Hole Section			7.875				120	700		

Tools and Accessories									
Type	Size in	Qty	Make	Depth ft	Type	Size in	Qty	Make	
Guide Shoe	5.5			700	Top Plug	5.5		HES	
Float Shoe	5.5				Bottom Plug	5.5		HES	
Float Collar	5.5				SSR plug set	5.5		HES	
Insert Float	5.5				Plug Container	5.5		HES	
Stage Tool	5.5				Centralizers	5.5		HES	

Fluid Data										
Stage/Plug #: 1										
Fluid #	Stage Type	Fluid Name	Qty	Qty UoM	Mixing Density lbm/gal	Yield ft3/sack	Mix Fluid Gal	Rate bbl/min	Total Mix Fluid Gal	
1	Fresh Water Spacer	Fresh Water Spacer	0	bbl	8.33					
Fluid #	Stage Type	Fluid Name	Qty	Qty UoM	Mixing Density lbm/gal	Yield ft3/sack	Mix Fluid Gal	Rate bbl/min	Total Mix Fluid Gal	
2	Primary Cement	HALCEM (TM) SYSTEM		sack	13.5	1.38		5	5.85	
5.85 Gal		FRESH WATER								



**HALLIBURTON****Cementing Job Summary**

Fluid #	Stage Type	Fluid Name	Qty	Qty UoM	Mixing Density lbm/gal	Yield ft3/sack	Mix Fluid Gal	Rate bbl/min	Total Mix Fluid Gal
3	Displacement	Displacement	15.5	bbl	8.33				
Cement Left In Pipe		Amount	42 ft	Reason				Shoe Joint	
Mix Water: pH ##		Mix Water Chloride: ## ppm			Mix Water Temperature: ## °F °C				
Cement Temperature: ## °F °C		Plug Displaced by: ## lb/gal kg/m3 XXXX			Disp. Temperature: ## °F °C				
Plug Bumped? Yes/No		Bump Pressure: ##### psi MPa			Floats Held? Yes/No				
Cement Returns: ## bbl m3		Returns Density: ## lb/gal kg/m3			Returns Temperature: ## °F °C				
Comment									

HALLIBURTON



## Summary Report

Crew: \_\_\_\_\_  
Job Start Date: 11/22/2017 04:00 PM

Sales Order #: 0904453333  
WO #: 0904453333  
PO #: NA  
AFE #: NA

Customer: DUGAN PRODUCTION CORP-  
EBUS  
UWI / API Number:  
Well Name: Flats  
Well No: #1

Field:  
County/Parish: SAN JUAN  
State: NEW MEXICO  
Latitude:  
Longitude:  
Sect / Twn / Rng: //

Job Type: CMT PRODUCTION  
CASING BOM  
Service Supervisor: Lemont Jojola  
Cust Rep Name: MARTY FOUTZ  
Cust Rep Phone #:

Remarks:		
The Information Stated Herein Is Correct	Customer Representative Signature	Date
	Customer Representative Printed Name	

## 2.0 Real-Time Job Summary

## 2.1 Job Event Log

Type	Seq. No.	Activity	Graph Label	Date	Time	Source	Pass-Side Pump Pressure (psi)	Downhole Density (ppg)	Pass-Side Pump Rate (bbl/min)	PS Pmp Stg Tot (bbl)	Comments
Event	1	Call Out	Call Out	11/22/2017	10:00:00	USER					CEMENT CREW CALLED OUT
Event	2	Depart Yard Safety Meeting	Depart Yard Safety Meeting	11/22/2017	12:00:00	USER					SAFETY MEETING HELD WITH CEMENT CREW
Event	3	Depart Home for Location	Depart Home for Location	11/22/2017	12:10:00	USER					1-PICKUP 11583927, 1- RED TIGER 12638114, 1- BULK TRUCKS 10793626
Event	4	Arrive At Loc	Arrive At Loc	11/22/2017	15:00:00	USER					CEMENT CREW ARRIVES ON LOCATION
Event	5	Comment	Comment	11/22/2017	15:10:00	USER					RIG IS DOWN CHANGING PARTS COMPANY CALLED AND REQUESTED H.E.S. ON LOCATION @ 4PM
Event	6	Other	Other	11/22/2017	15:20:00	USER					TD = 665 FT, TP = 5 1/2" 15.5# SET @ 675 FT, SJ = 75 FT, OH = 7 7/8", SURFACE = 8 5/8" 24# SET @ 126 FT
Event	7	Other	Other	11/22/2017	15:25:00	USER					TEMPERATURE = 60 DEGREES, CHLORIDES = 0, PH = 7
Event	8	Pre-Rig Up Safety Meeting	Pre-Rig Up Safety Meeting	11/22/2017	20:00:00	USER					SAFETY MEETING HELD WITH CEMENT CREW
Event	9	Rig-Up Equipment	Rig-Up Equipment	11/22/2017	20:10:00	USER					CEMENT CREW RIGS UP EQUIPMENT
Event	10	Comment	Comment	11/22/2017	20:30:00	USER	12.00	2.79	0.00	0.0	H.E.S. DOWN SUE TO MACHANICAL ISSUES DOWN FOR 4 HOURS

iCem Service

(v. 4.2.393)

Created: Thursday, November 23, 2017

Event	11	Pre-Job Safety Meeting	Pre-Job Safety Meeting	11/23/2017	00:20:00	USER						SAFETY MEETING HELD WITH EVERYONE ON LOCATION
Event	12	Start Job	Start Job	11/23/2017	00:43:48	COM5						
Event	13	Pressure Test	Pressure Test	11/23/2017	00:47:37	USER	1624.00	8.29	0.00	1.4		PRESSURE TEST GOOD TO 3100 PSI
Event	14	Check Weight	Check weight	11/23/2017	00:55:05	COM5						CHECK CEMENT WEIGHT = 13.5#
Event	15	Pump Spacer	Pump Spacer	11/23/2017	00:58:57	USER	4.00	8.23	1.00	0.1		PUMPED 10 BBLS H2O
Event	16	Pump Cement	Pump Cement	11/23/2017	01:02:34	USER	62.00	13.48	3.50	0.5		150 SKS 1.38 CUFT/SK 5.85 GAL/SK = 36.9 BBLS @ 13.5# 21 BBLS H2O REQ
Event	17	Check Weight	Check weight	11/23/2017	01:04:03	COM5						CHECK CEMENT WEIGHT = 13.5#
Event	18	Shutdown	Shutdown	11/23/2017	01:15:57	USER	27.00	13.65	0.00	46.0		SHUTDOWN DROP PLUG
Event	19	Clean Lines	Clean Lines	11/23/2017	01:16:54	USER	38.00	9.41	1.60	0.2		WASH PUMPS AND LINES
Event	20	Pump Displacement	Pump Displacement	11/23/2017	01:19:21	USER	24.00	8.34	1.80	0.2		CALCULATED 15.6 BBLS TO DISPLACE CEMENT, ACTUALLY PUMPED 15.5 BBLS TANK TO TANK MARK TO MARK
Event	21	Cement Returns to Surface	Cement Returns to Surface	11/23/2017	01:19:30	USER	68.00	8.34	2.10	0.5		CALCULATED 14.5 BBLS OF CEMENT BACK TO SURFACE, ACTUALLY CIRCULATED 15 BBLS OF CEMENT BACK TO SURFACE
Event	22	Bump Plug	Bump Plug	11/23/2017	01:24:04	USER	839.00	8.29	0.00	14.7		CALCULATED 170 PSI TO LAND PLUG, PLUG BUMPED @ 240 PSI PRESSURED UP TO 980 PSI

Event	23	Check Floats	Check Floats	11/23/2017	01:25:42	USER	20.00	8.30	0.00	14.7	CHECK FLOATS, FLOATS HELD 1/4 BBLs BACK
Event	24	Shutdown	Shutdown	11/23/2017	01:26:13	USER	0.00	0.21	0.00	0.0	SHUTDOWN END JOB, THANK YOU FOR CHOOSING HALLIBURTON LEMONT JOJOLA AND CREW
Event	25	Pre-Rig Down Safety Meeting	Pre-Rig Down Safety Meeting	11/23/2017	01:28:15	USER	0.00	8.14	1.80	0.4	SAFETY MEETING HELD WITH CEMENT CREW
Event	26	Rig-Down Equipment	Rig-Down Equipment	11/23/2017	01:30:20	USER	-6.00	8.60	2.00	4.5	CEMENT CREW RIGS DOWN EQUIPMENT
Event	27	Depart Location Safety Meeting	Depart Location Safety Meeting	11/23/2017	01:45:13	USER					SAFETY MEETING HELD WITH CEMENT CREW
Event	28	Depart Home for Location	Depart Home for Location	11/23/2017	01:58:26	USER					CEMENT CREW DEPARTS LOCATION



# DUGAN FLATS #1, PRODUCTION



PS Pump Press (psi) DH Density (ppg) PS Pump Rate (bbl/min) PS Pmp Stg Tot (bbl)

① Call Out	④ Arrive At Loc	⑦ Other	⑩ Comment	⑬ Pressure Test	⑯ Pump Cement	⑲ Clean Lines	22 Bump Plug
② Depart Yard Safety Meeting	⑤ Comment	⑧ Pre-Rig Up Safety Meeting	⑪ Pre-Job Safety Meeting	⑭ Check weight	⑰ Check weight	20 Pump Displacement	23 Check Floats
③ Depart Home for Location	⑥ Other	⑨ Rig-Up Equipment	⑫ Start Job	⑮ Pump Spacer	⑱ Shutdown	21 Cement Returns to Surface	24 Shutdown

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Created: 2017-11-22 09:41:44, Version: 4.2.393

Edit

Customer: DUGAN PRODUCTION CORP EBUS  
Representative: LEMONT JOJOLA / LH 114

Job Date: 11/22/2017 8:19:10 PM  
Sales Order #: 904453333

Well: FLATS #1  
COMPANY MAN: MARTY FOUTZ