

Well Name: MUCHO DEAL	Well Location: T30N / R14W / SEC 14 / SENW / 36.816345 / -108.280624	County or Parish/State: SAN JUAN / NM
Well Number: 1	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM26052	Unit or CA Name: MUCHO DEAL	Unit or CA Number: NMNM75940
US Well Number: 300452257000S1	Well Status: Gas Well Shut In	Operator: DUGAN PRODUCTION CORPORATION

Notice of Intent

Sundry ID: 2752595

Type of Submission: Notice of Intent

Date Sundry Submitted: 09/21/2023

Date proposed operation will begin: 11/06/2023

Type of Action: Plug and Abandonment

Time Sundry Submitted: 10:41

**Procedure Description:** Dugan Production plans to plug and abandon the well per the following procedure: 1) Run 4½” casing scraper to 6300’. RIH & set 4½” CIBP @ 6279’. Dakota perforations @ 6330’-6490’. 2) Load & circulate hole. Pressure test casing to 600 psi for 30 minutes. Run CBL from 6279’ to surface. All plugs are written as inside plugs based on cement volume pumped during primary cement job. Will make necessary changes to the plugs after reviewing the CBL. 3) Spot Plug I inside 4½” casing from 6279’ to 6129’ w/12 sks (13.8 cu ft) Class G cement to cover the Dakota top. Plug I, Inside 4½” casing, 12 sks, 13.8 cu ft, Dakota, 6129’-6279’. 4) Spot Plug II inside 4½” casing from 5510’ to 5360’ w/12 sks (13.8 cu ft) Class G cement to cover the Gallup top. Plug II, Inside 4½” casing, 12 sks, 13.8 cu ft, Gallup, 5360’-5510’. 5) Spot Plug III inside 4½” casing from 4550’ to 4400’ w/12 sks (13.8 cu ft) Class G cement to cover the Mancos top. Plug III, Inside 4½” casing, 12 sks, 13.8 cu ft, Mancos, 4400’-4550’. 6) Spot Plug IV inside 4½” casing from 3270’ to 2680’ w/46 sks (52.9 cu ft) Class G cement to cover the Mesaverde & Chacra tops. Plug IV, Inside 4½” casing, 46 sks, 52.9 Cu.ft, Mesaverde-Chacra, 2680’-3270’. 7) Spot Plug V inside 4½” casing from 1778’ to 1628’ w/12 sks (13.8 cu ft) Class G cement to cover the Pictured Cliffs top. Plug V, Inside 4½” casing, 12 sks, 13.8 cu ft, Pictured Cliffs, 1628’-1778’. 8) Spot Plug VI inside 4½” casing from 1240’ to 1090’ w/12 sks (13.8 cu ft) Class G cement to cover the Fruitland tops. Plug VI, Inside 4½” casing, 12 sks, 13.8 cu ft, Fruitland, 1090’-1240’. 9) Spot Plug VII inside 4½” casing from 525’ to surface w/45 sks (51.8 cu ft) Class G cement to cover the Kirtland and surface casing shoe. Plug VII, Kirtland-Surface, Inside 4½” casing, 45 sks, 51.8 cu ft, 0’-525’. 10) Cut wellhead. Tag TOC at surface. Fill cement incase needed. 11) Install dry hole marker. Clean location.

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US Well Number: 300452257000S1	Well Status: Gas Well Shut In	Operator: DUGAN PRODUCTION CORPORATION

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

- Mucho\_Deal\_Com\_\_1\_Reclamation\_Plan\_20230921103125.pdf
- Mucho\_Deal\_Com\_1\_PA\_formation\_tops\_20230921103109.pdf
- Mucho\_Deal\_Com\_1\_PA\_planned\_wellbore\_schematic\_20230921103052.pdf
- Mucho\_Deal\_Com\_1\_\_PA\_current\_wellbore\_schematic\_20230921103044.pdf
- Mucho\_Deal\_Com\_1\_planned\_PA\_procedure\_20230921103032.pdf

Conditions of Approval

Specialist Review

- General\_Requirement\_PxA\_20230925125557.pdf
- 2752595\_NOIA\_1\_3004522570\_KR\_09252023\_20230925125545.pdf
- 30N14W14\_Mucho\_Deal\_1\_Geo\_KGR\_20230925125538.pdf

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Operator

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: TYRA FEIL

Signed on: SEP 21, 2023 10:29 AM

Name: DUGAN PRODUCTION CORPORATION

Title: Authorized Representative

Street Address: PO Box 420

City: FarmingtonState: NM

Phone: (505) 325-1821

Email address: tyrafeil@duganproduction.com

Field

Representative Name: ALIPH REENA

Street Address: PO BOX 420

City: FARMINGTONState: NMZip: 87499-0420

Phone: (505)360-9192

Email address: Aliph.Reena@duganproduction.com

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647742

BLM POC Email Address: krennick@blm.gov

Disposition: Approved

Disposition Date: 09/25/2023

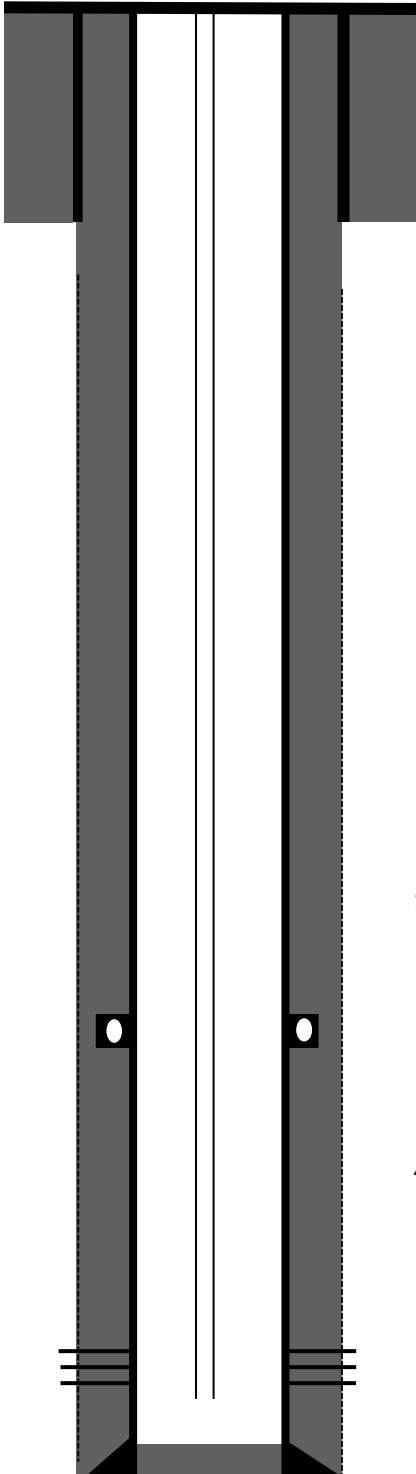
Signature: Kenneth Rennick

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

- Run 4½" casing scraper to 6300'. RIH & set 4½" CIBP @ 6279'. Dakota perforations @ 6330'-6490'.
- Load & circulate hole. Pressure test casing to 600 psi for 30 minutes. Run CBL from 6279' to surface. All plugs are written as inside plugs based on cement volume pumped during primary cement job. Will make necessary changes to the plugs after reviewing the CBL.
- Spot Plug I inside 4½" casing from 6279' to 6129' w/12 sks (13.8 cu ft) Class G cement to cover the Dakota top. **Plug I, Inside 4½" casing, 12 sks, 13.8 cu ft, Dakota, 6129'-6279'.**
- Spot Plug II inside 4½" casing from 5510' to 5360' w/12 sks (13.8 cu ft) Class G cement to cover the Gallup top. **Plug II, Inside 4½" casing, 12 sks, 13.8 cu ft, Gallup, 5360'-5510'.**
- Spot Plug III inside 4½" casing from 4550' to 4400' w/12 sks (13.8 cu ft) Class G cement to cover the Mancos top. **Plug III, Inside 4½" casing, 12 sks, 13.8 cu ft, Mancos, 4400'-4550'.**
- Spot Plug IV inside 4½" casing from 3270' to 2680' w/46 sks (52.9 cu ft) Class G cement to cover the Mesaverde & Chacra tops. **Plug IV, Inside 4½" casing, 46 sks, 52.9 Cu.ft, Mesaverde-Chacra, 2680'-3270'.**
- Spot Plug V inside 4½" casing from 1778' to 1628' w/12 sks (13.8 cu ft) Class G cement to cover the Pictured Cliffs top. **Plug V, Inside 4½" casing, 12 sks, 13.8 cu ft, Pictured Cliffs, 1628'-1778'.**
- Spot Plug VI inside 4½" casing from 1240' to 1090' w/12 sks (13.8 cu ft) Class G cement to cover the Fruitland tops. **Plug VI, Inside 4½" casing, 12 sks, 13.8 cu ft, Fruitland, 1090'-1240'.**
- Spot Plug VII inside 4½" casing from 525' to surface w/45 sks (51.8 cu ft) Class G cement to cover the Kirtland and surface casing shoe. **Plug VII, Kirtland-Surface, Inside 4½" casing, 45 sks, 51.8 cu ft, 0'-525'.**
- Cut wellhead. Tag TOC at surface. Fill cement incase needed.
- Install dry hole marker. Clean location.

**Current Wellbore Schematic**

Mucho Deal Com 1  
API: 30-045-22570  
Unit F Sec 14 T30N R14W  
1850' FNL & 1800' FWL  
San Juan County, NM  
Lat:36.8163033 Long:-108.2812881



**1 1/2" tubing set @ 6452**

**Dakota Perforated @ 6330'-6490'**

Cemented Stage I w/ 200 sks 65-35-12 & 150 sks Class B, 605 Cu.ft. DV @ 4528'.  
Stage II w/ 500 sks 65-35 w/ 12% followed w/ 100 sks, 1430 Cu.ft. Total cement 2080 Cu.ft.

**4 1/2" 10.5 # casing @ 6572'. PBTD @ 6516'. Hole size: 7-7/8"**



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API: 30-045-22570  
Unit F Sec 14 T30N R14W  
1850' FNL & 1800' FWL  
San Juan County, NM  
Lat:36.8163033 Long:-108.2812881

**Elevation ASL : 6040**

**Formation Tops**

- **Ojo Alamo - Surface**
- **Kirtland - 475**
- **Fruitland - 1190**
- **Pictured Cliffs - 1728**
- **Lewis - 1898**
- **Chacra - 2780**
- **Mesaverde - 3220**
- **Mancos - 4500**
- **Gallup - 5460**
- **Dakota - 6329**

**GENERAL REQUIREMENTS FOR  
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES  
FARMINGTON FIELD OFFICE**

1.0 The approved plugging plans may contain variances from the following minimum general requirements.

1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.

1.2 Requirements may be added to address specific well conditions.

2.0 Materials used must be accurately measured. (densometer/scales)

3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.

3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.

4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.

4.1 The cement shall be as specified in the approved plugging plan.

4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.3 Surface plugs may be no less than 50' in length.

4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.

**4.6 A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.**



5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

- 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.
- 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.
- 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.
- 5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. **If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.**

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

- 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
- 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H<sub>2</sub>S.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), through the Automated Fluid Minerals Support System (AFMSS) with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.

9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.

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

AFMSS 2 Sundry ID 2752595

Attachment to notice of Intention to Abandon

Well: Mucho Deal 1

**CONDITIONS OF APPROVAL**

1. Plugging operations must be completed by April 30, 2024.
2. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
3. Farmington Office is to be notified at least 24 hours before the plugging operations commence at (505) 564-7750.

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.

K. Rennick 09/25/2023

# BLM FLUID MINERALS

## P&A Geologic Report

**Date Completed:** 9/25/2023

Well No. Mucho Deal 1 (API 30-045-22570)	Location	SENW				
Lease No. NMNM26052	Sec. 14	T30N			R14W	
Operator Dugan Production Corporation	County	San Juan		State	New Mexico	
Total Depth 6575'	PBTD 6575'	Formation	Dakota			
Elevation (GL) 6040'						

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/freshwater sands
Nacimiento Fm					Possible freshwater sands
Ojo Alamo Ss					Aquifer (possible freshwater)
Kirtland Shale			475		
Fruitland Fm			1190		Coal/Gas/Possible water
Pictured Cliffs Ss			1728		Gas
Lewis Shale			1898		
Chacra			2780		Gas
Cliff House Ss			3220		Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos Shale			4500		
Gallup			5460		O&G/Water
Greenhorn					
Graneros Shale					
Dakota Ss			6329		O&G/Water

Remarks:  
P & A

Reference Well:

**Prepared by:** *Kenneth Rennick*

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720  
**District II**  
811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

CONDITIONS  
  
Action 268738

CONDITIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 268738
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	Notify NMOCD 24 hours prior to moving on.	10/2/2023