



Well Name: FEDERAL 20-5-6	Well Location: T20N / R5W / SEC 6 / NWSW / 35.9905 / -107.41267	County or Parish/State: MCKINLEY / NM
Well Number: 3	Type of Well: OTHER	Allottee or Tribe Name:
Lease Number: NMNM99718	Unit or CA Name:	Unit or CA Number:
US Well Number: 3003121102	Well Status: Plugged and Abandoned	Operator: SG INTERESTS I LIMITED

Notice Of Intent

Type of Submission: Notice Of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 05/04/2020

Disposition: Approved

Disposition Date: 07/22/2020

Remarks: JOE KILLINS:APPROVAL:2020-05-04 SG Interests intends to plug, abandon, and reclaim, subject well per BLM regulatory guidelines. Subject well was previously Temporarily Abandoned 04/22/2019. A P&A onsite was held with a BLM Representative 03/31/2020. See attached P&A Procedure and the Reclamation Procedure. JOE KILLINS:APPROVAL:2020-11-06 SG Interests P&A'd the subject well on 08/27/2020 with BLM Representative Mark Wecker on location as witness. See attached WO Report for specifics. Surface reclamation commenced and completed the week of 09/28/2020. The submitted and approved reclamation plan was followed.

NOI Attachments

Procedure Description

RECLAMATION PLAN FED 20-5-6 #3.DOC.PDF

P&A PROCEDURE FEDERAL 20-5-6 #3 042020.DOC.PDF

SG Interests I, Ltd.

Federal 20-5-6 #3

NWSW, Sec. 6, T20N-R5W

McKinley County, NM

API #30-031-21072

Lat 35.99050° N, Long -107.41267° W

April 2020

Reclamation Plan:

As per the Onsite discussion March 31, 2020 with a BLM Authorized Officer, the wellsite and access road will be reclaimed as follows:

The location will be re-contoured to the original topography, within the capacity to do so, as to not cause unnecessary erosion. A water diversion berm on the north and west side of the location will be brought back towards the wellpad and contoured to the original slope. Any foreign material (gravel, rock, concrete, wood, trash) will be stripped, removed from the site and disposed of in a legal landfill. The access road will be contoured to original and a berm installed at the former entrance to prevent ingress after completion. In addition to the berm the main road bar ditch will be cleaned out to a proper depth.

SGI will remove the four rig anchors and haul to recycle.

SGI will seed all disturbed areas, including access roads, with the seed mixture(s) listed below. The seed mixture will be planted in the amounts specified in pounds of pure live seed per acre. The seed will contain no primary or secondary noxious weeds; commercial seed will be either certified or registered seed. Enough seed will be purchased to properly seed 2 acres, the disturbance is approximately 1 acre in size. This ensures plenty of seed for hand seeding special areas if necessary.

The seed mixture will be seeded using a seed drill equipped with a depth regulator, not to exceed 1 ½ inches. The seed mixture will be evenly and uniformly planted over the disturbed area. Where drilling is not possible, seed will be broadcast and the area raked or chained to cover the seed. When broadcasting, the lbs./acre will be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the BLM Authorized Officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Federal 20-5-6 #3

Reclamation Plan continued:

<u>Species</u>	<u>Pound per Acre for Seed Drill</u>	<u>% of Mix</u>
Four Wing Saltbush	2.00	.127
Winterfat	2.00	.127
Indian Ricegrass (Rimrock)	4.00	.254
Blue Grama (Alma/Hachita)	2.00	.127
Sand Dropseed	0.50	.032
Bottlebrush Squirrel Tail	3.00	.190
Small Burnet	2.00	.127
Blue Flax	0.25	.016
Totals	15.75 lbs.	100%

The overall rate in which this seed mixture should be planted is 15.75 lbs/acre (pure live seed) for drilling or 31.5 lbs/acre for broadcast methods.

The BLM will NOT release the operator from the responsibility until goals have been met. The goal is to achieve native plant cover and diversity levels equal to or exceeding the natural potential level in undisturbed soils adjacent to the project area.

After a failed attempt to revegetate an area, a second reseeding may be required.

The Noxious Weed component will include identification of the species of concern and the method(s) used to eradicate those species from the site. Eradication techniques may include mechanical treatment, chemical treatment, follow-up and monitoring. SGI has an existing Pesticide Use Plan on file for this Field/area.

SG Interests I, Ltd.

Federal 20-5-6 #3

NWSW, Sec. 6, T20N-R5W
Lat 35.99050° N, -107.41267° W
McKinley County, NM
API # 30-031-21102
April 2020
Plug & Abandon
TS

GL: 6787'
TD: 1075' KB
PBSD: 1015' KB
KB: 5'
CSG: 1058' KB, 27 jts, 4-1/2", 10.5#, J-55
Perforations: 608'-626' gross interval
Rathole: 389'
Tbg: No tubing in well
Pump & Rods: No pump in well
Current Production: 0 MCFD, 0 BWPD
Expected Production: 0 MCFD, 0 BWPD

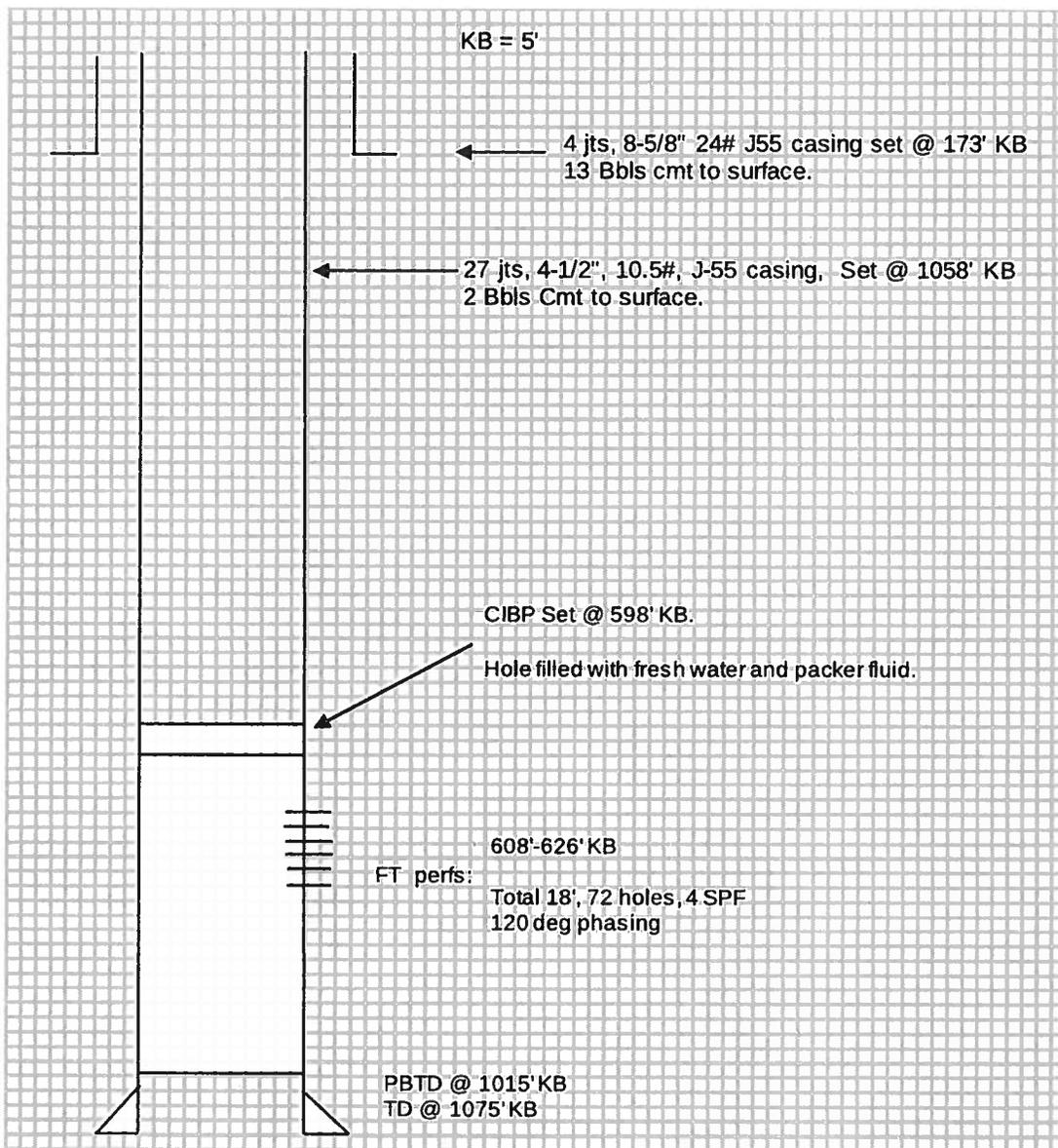
Well History: 7/09 Initial Completion
4/19 TA

Directions:

From Counselor Trading Post on US Hwy. 550, travel south on US 550 ±0.1 miles, turn right on dirt road with sign "Star Lake Compressor-26 miles". This is the 0 miles point for this description. Follow dirt road south.

- 4.3 miles – turn left at "Ojo Encino" sign,
- 11.0 miles – Transition to pavement with sign "N 474",
- 15.4 miles – Turn right off pavement through cattle guard onto dirt road,
- 16.6 miles – Turn left off road immediately after cattle guard onto and follow access road east, and south,
- 17.7 miles – Turn left and follow flagged access road east ±550 feet to location.

Wellbore Diagram:



Procedure:

- Note 1) Cell Phone service is nonexistent to limited on location.
- Note 2) Comply with all safety and environmental requirements.
All P&A fluids (rig pits, flow back tanks, frac tanks)
Will be hauled to nearest available legal disposal site.
- Note 3) BLM & NMOCD must be Notified 24 hrs in advance of any cementing
- Note 4) This is a Rig-less P&A. Well was previously TA'd. Rig pit will be "salted" with 5-7 sx of sugar to keep cement from setting in pit.

- 1) Hold Safety meeting. MIRU Drake Cementing Unit, rig pit, cementing WH spool and poly-pipe spool. Record bradenhead, casing and tubing pressures. Report any problem pressures. Blow down casing gently in case of thermal expansion pressure.
- 2) Connect pressure pump to WH. Pressure test casing to 500 psi for 10 minutes. Record test on rig report.
- 3) NDWH & NU spool for circulation to rig pit. RU poly spooling unit.
- 4) RIH with 2" poly-pipe to PBTD ±598' KB. Connect poly-pipe to cementing unit.
- 5) Establish circulation with fresh water and circulate hole with 47 sx, Class "G" cement, displacing water to rig pit.
- 6) When cement is circulated to surface, shut down, Cleanout pump and piping to pit. RD Drake Cementing Unit.
- 7) Cut poly off at surface. Top off casing and after BLM approval, install P&A marker.
- 8) RDMO Drake Cementing.
- 9) MIRU Keystone and start surface remediation.

Cementing Program:

<u>Interval</u>	<u>Size, Wt. Grade, Thread</u>	<u>Depth</u>	<u>Cement</u>
Production	4-1/2", 10.5#, J-55, ST&C	598' less KB	47 sx Class G
<u>Cement & Additives</u>	<u>Water Requirements</u>	<u>Weight/Yield</u>	
Class G	5.0 gals/sx	15.8 ppg / 1.15 cu.ft/sx	

Page4
Federal 20-5-6 #3

Important Numbers:

Notification Schedule:

Entity	Phone Number	Comments
<u>Regulatory</u>		
BLM	505-564-7750	Rig Hotline
BLM	505-564-7771 505-801-5678 dmcculler@blm.gov	Derrick McCuller Field Engineering Tech
NMOCD	505-334-6178 ext 116 505-320-0200 brandon.powell@state.nm.us	Brandon Powell Supervisor

WO Issues:

Tripp Schwab	970-259-2701	Office
	970-769-3589	Mobile
	970-769-3589	Home
Brad McKinney	970-749-2163	Mobile
Levi Casaus	970-426-1272	Mobile
RJ McKinney	480-694-6519	Mobile

Page 5
Federal 20-5-6 #3

Vendor List

<u>Service or Material</u>	<u>Company or Contact</u>	<u>Phone Number</u>
Dirt Contractor	Bridge Dozer Robert Bridge	Home 505-289-4048 Cell 505-249-6942
Pit Liner	see Dirt Contractor	
Anchors & Hot Oil	Mote	Off 505-325-9711 Off 505-325-1666
Cement	TBD	Off
Fracturing	Halliburton	Off 505-324-3500
Wellhead Equipment	WSI Isaac Ortiz	Off 505-326-0308 Cell 505-258-2347
Logging / Perforating	Basin Perforating Dana McGarrah	Off 505-327-5244
Water Hauling	Overright Trucking Mike Overright	Off 505-215-3035
	CNJ Trucking Craig Nelson	Cell 505-320-8345
Frac Tank & Heavy Hauling	CNJ Trucking Craig Nelson	Cell 505-320-8345
Light Trucking / Hotshot	Double S Hotshot Larry Slavin	Cell 505-334-3850
Porta Johns	Cabannas Hal Stone	Off 505-325-5835 Cell 505-330-7566
Roustabout	Keystone Randy Schreffler Brian Schreffler	Off 505-326-7979 Cell 505-334-8642 Cell 505-801-8002
BOP Rental	Call	
BOP Testing	Wilson	

Page 6
Federal 20-5-6 #3

Vendor List Cont.

<u>Service or Material</u>	<u>Company or Contact</u>	<u>Phone Number</u>
Down hole Rod Pump	Drake Pump Shop	
Down hole PC Pump	Black Arrow Solutions David Cox	Off 505-632-6789 Cell 505-320-8158
Slickline Services	Phoenix Services Jeff	Off 505-325-1125
Tubulars	Cave Enterprises Jim Cave	Off 505-325-3401
Workover Rig	Drake Well Service Drake McCulloch	Off 505-327-7301 Cell 505-320-1180
Packer/Bridge Plug/CIBP	TBD	
Drywatch	Double S Hotshot Larry Slavin	Cell 505-334-3850

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 316376

CONDITIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 316376
	Action Type: [C-103] Sub. Plugging (C-103P)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	paper says notice of intent however this is the plugging report submitted by Dugan Production -Notice of intent is in the well file. - well was plugged 8/20/2020	3/6/2024