Sundry Print Report

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Well Name: OKIE Well Location: T24N / R8W / SEC 8 / County or Parish/State: SAN

SENW / 36.331711 / -107.708191 JUAN / NM

Well Number: 2 Type of Well: CONVENTIONAL GAS Allottee or Tribe Name:

WELL

Lease Number: NMNM19567 Unit or CA Name: Unit or CA Number:

CORPORATION

Subsequent Report

Sundry ID: 2875726

Type of Submission: Subsequent Report

Type of Action: Plug and Abandonment

Date Sundry Submitted: 09/25/2025 Time Sundry Submitted: 11:09

Date Operation Actually Began: 08/18/2025

Actual Procedure: Dugan Production P&A'd the well on 08/18/2025 - 08/20/2025 per the attached procedure.

SR Attachments

Actual Procedure

Okie_2_BLM_OCD_apvd_plug_changes_20250925110659.pdf

Okie_2_SR_PA_formation_tops_20250925110645.pdf

Okie_2_SR_PA_completed_wellbore_schematic_20250925110638.pdf

Okie_2_SR_PA_work_completed_20250925110627.pdf

eived by OCD: 9/29/2025 7:02:55 AM Well Name: OKIE

Well Location: T24N / R8W / SEC 8 /

SENW / 36.331711 / -107.708191

County or Parish/State: SAN 2 of

JUAN / NM

Well Number: 2

Type of Well: CONVENTIONAL GAS

Allottee or Tribe Name:

Lease Number: NMNM19567

Unit or CA Name:

Unit or CA Number:

US Well Number: 300452230400S2

Operator: DUGAN PRODUCTION

CORPORATION

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 25, 2025 11:08 AM

Name: DUGAN PRODUCTION CORPORATION

Title: Authorized Representative Street Address: PO BOX 420

City: FARMINGTON State: NM

Phone: (505) 325-1821

Email address: TYRAFEIL@DUGANPRODUCTION.COM

Field

Representative Name: Aliph Reena

Street Address: PO Box 420

City: Farmington State: NM **Zip:** 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: Accepted Disposition Date: 09/26/2025

Signature: Kenneth Rennick

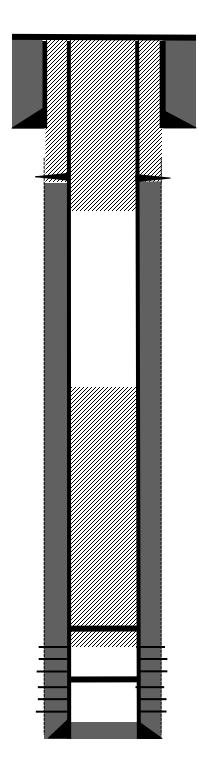
Page 2 of 2

Dugan Production P&A'd the well on **08/18/2025 - 08/20/2025** per the following procedure:

- MI&RU Aztec Rig 481 and cement equipment. Spot & RU.
- Check pressures: Tubing 5 psi, Casing 15 psi, BH 10 psi.
- Pull and LD all rods & production tubing. ND wellhead and NU BOP.
- Run 4½" string mill to 1963'. TOOH & SB.
- RIH & set 4½" cement retainer to 1932'. Fruitland Coal perforations @ 1982'-1991'.
- Load and circulate hole w/35 bbls water.
- Attempt to pressure test casing to 600 psi. Casing won't test. Small leak.
- Check pressures: Tubing 0 psi, Casing 20 psi, BH 5 psi.
- RU WL and run CBL from 1932' to the surface. Sent copy of CBL & revised procedure to BLM & NMOCD. Copy of communications attached.
- Plug I, Ojo Alamo-Kirtland-Fruitland-Pictured Cliffs: Sting in the cement retainer. Squeeze 16 sks, 18.4 cu ft Class G neat cement to cover the Pictured Cliffs below the retainer till top perfs at 1982'. Displaced w/7.5 bbl water to top of the retainer. Sting out. TOOH and LD stinger. TIH to top of cement retainer at 1932'. Spot Plug inside 4½" casing above cement retainer @ 1932' w/98 sks (112.7 cu ft) Class G neat cement to cover the Pictured Cliffs, Fruitland, Kirtland & Ojo Alamo tops (5 gal/sk, 15.8 #/gal, 1.15 cu ft/sk). Displaced w/2.6 bbls water. Reversed out from 698' and circulated 0.3 bbl cement to surface. WOC overnight. Tagged TOC at 733'. Good tag. Plug I, Inside 4½" casing, cement retainer at 1932', 114 sks, 131.1 cu ft, Pictured Cliffs-Fruitland-Kirtland-Ojo Alamo, 733'-1982'.
- Plug II, Surface Casing Shoe-Surface: RU WL & shoot squeeze holes at 277'. TIH open ended to 335'. Spot and squeeze Plug II inside/outside 4½" casing from 277' w/105 sks, 120.75 cu ft Class G neat cement to cover the surface casing shoe to surface. Circulate cement to surface through BH. WOC 4 hrs. RU welder and cut wellhead off. Tagged TOC at 1' inside annulus & 0' inside 4½" casing. Good tag. Plug II, Inside 4½" casing, 105 sks, 120.75 cu ft, perforations at 277', EOT at 335', Surface Casing-Surface, 0-355'.
- Fill up cellar and install dry hole marker w/18 sks, 20.7 cu ft cement.
- Clean location. Rig down Aztec Well Services 481 and move out.
- Gail Clayton w/BLM witnessed job.
- Well P&A'd 08/20/2025.

Completed P & A Wellbore Schematic

Okie #2 30-045-22304 Basin Fruitland Coal (Gas) 1450' FNL & 1500' FWL F-S8-T24N-R8W San Juan County, NM



Surface Casing 8-5/8" 20# @177'. Hole size 12 ¼" Cemented w/ 125 sks class B +2%CaCl. Good circ through job, cement circulated.

Plug II, Inside 4 $\frac{1}{2}$ " casing, 105 sks, 120.75 Cu.ft, Perforations at 277', EOT at 335', Surface Casing-Surface, 0-355'

Hole 6 1/4" Casing 4 1/2" 9.5# #2105'

Cement w/ 60 sks 65-35 class B poz mix 12%gel tailed by 75 sks class B 0.6% D-60 fluid loss additive.

Set 4 $\frac{1}{2}$ " CR @ 1932'. Squeeze 16 sks, 18.4 Cu.ft cement to cover the Pictured cliffs top below the retainer till top perf.

Plug I, Inside 4 ½" casing, Cement Retainer at 1932', 114 sks, 131.1 Cu.ft, Pictured Cliffs-Fruitland-Kirtland-Ojo Alamo, 733'-1982'.

Fruitland Coal Perforated @ 1982' - 1991' w/4 spf

PBTD @ 2000' by setting a CIBP at 2000' part of the original completion, TD 2105'

Pictured Cliffs Perforated @ 2006' - 2032'

Okie #2

30-045-22304
Basin Fruitland Coal (Gas)
1450' FNL & 1500' FWL
F-S8-T24N-R8W
San Juan County, NM

Formation Tops (Referenced for P & A)

- Surface Casing 177'
- Ojo Alamo 848'(OCD)/1291'(BLM)
- Kirtland 937'(OCD)/1433'(BLM)
- Fruitland 1580'(OCD)/1722'(BLM)
- Perforations 1982'-1991'
- Pictured Cliffs 1994'

Tyra Feil

From: Rennick, Kenneth G < krennick@blm.gov>
Sent: Wednesday, August 20, 2025 7:59 AM

To: Aliph Reena; Clayton, Gail; John Garcia (JohnA.Garcia@emnrd.nm.gov); Diede, Loren, EMNRD; Kade, Matthew

H; Lucero, Virgil S

Cc: Tyra Feil; Alex Robles; Brian McCann

Subject: Re: [EXTERNAL] Okie # 2 - Post CBL - Change of procedures Request.

The BLM finds the proposed procedure appropriate.

From: Aliph Reena < Aliph. Reena@duganproduction.com>

Sent: Wednesday, August 20, 2025 7:54 AM

To: Rennick, Kenneth G <krennick@blm.gov>; Clayton, Gail <gclayton@blm.gov>; John Garcia (JohnA.Garcia@emnrd.nm.gov) <johna.garcia@emnrd.nm.gov>; Diede, Loren, EMNRD <loren.diede@emnrd.nm.gov>; Kade, Matthew H <mkade@blm.gov>; Lucero, Virgil S <vlucero@blm.gov>

Cc: Tyra Feil <Tyra.Feil@duganproduction.com>; Alex Robles <arobles@aztecwell.com>; Brian McCann

<bmccann@aztecwell.com>

Subject: [EXTERNAL] Okie # 2 - Post CBL - Change of procedures Request.

This email has been received from outside of DOI - Use caution before clicking on links, opening attachments, or responding.

RE: Revised proposal post CBL

Dugan Production Corp.

Okie # 2

API: 30-045-22304

From the CBL, the TOC appears to be at approx at 290'. Based on the CBL we request the following changes to the original approved NOI.

• Surface, 0 -277': Change from inside plug to an inside/outside plug. Perforate at 277'. Attempt to circulate cement to surface through BH. If a rate to surface cant be established, perforate 50' higher and re-attempt.

All other plugs will be inside plugs as approved in the original NOI.

Please let us know if the proposal is acceptable to BLM & NMOCD and we will proceed accordingly.

Aliph Reena 505-360-9192



Aliph Reena

Engineering Supervisor Dugan Production Corp





aliph.reena@duganproduction.com

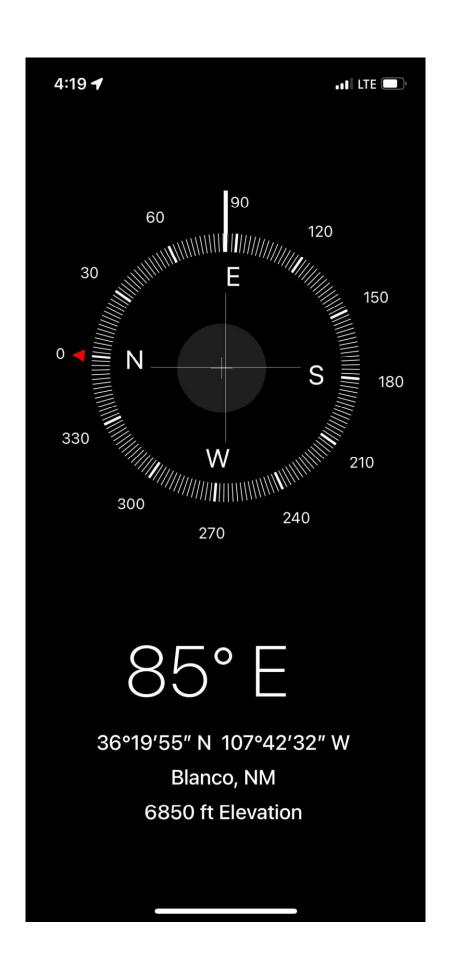
709 E Murray Drive, Farmington, NM Mailing: PO Box 420 | Farmington, NM 87499-0420

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Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Action 509945

CONDITIONS

Operator:	OGRID:
DUGAN PRODUCTION CORP	6515
PO Box 420	Action Number:
Farmington, NM 87499	509945
	Action Type:
	[C-103] Sub. Plugging (C-103P)
CONDITIONS	

Created By		Condition Date
loren.die	None None	10/1/2025