U.S. Department of the Interior BUREAU OF LAND MANAGEMENT Sundry Print Reportu

Well Name: ARVISO Well Location: T24N / R8W / SEC 5 / County or Parish/State: SAN

Well Number: 1 Type of Well: CONVENTIONAL GAS Allottee or Tribe Name:

WELL

Lease Number: NMNM97837 Unit or CA Name: Unit or CA Number:

CORPORATION

Notice of Intent

Sundry ID: 2876463

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 09/30/2025 Time Sundry Submitted: 03:42

Date proposed operation will begin: 10/06/2025

Procedure Description: Dugan Production plans to plug and abandon the well per the attached procedure.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Arviso_1_Rec_Plan_9_30_25_20250930154006.pdf

 $Arviso_1_proposed_PA_formation_tops_20250930153957.pdf$

 $Arviso_1_proposed_PA_planned_wellbore_schematic_20250930153948.pdf$

Arviso_1_proposed_PA_current_wellbore_schematic_20250930153939.pdf

Arviso_1_proposed_PA_planned_work_20250930153930.pdf

Well Location: T24N / R8W / SEC 5 /

NWSW / 36.3398388 / -107.7103271

County or Parish/State: SAN 2 of

JUAN / NM

Well Number: 1

Type of Well: CONVENTIONAL GAS

Allottee or Tribe Name:

Lease Number: NMNM97837

Unit or CA Name:

Unit or CA Number:

US Well Number: 300453394300S1

Operator: DUGAN PRODUCTION

CORPORATION

Conditions of Approval

Specialist Review

2876463_1_3004533943_NOIA_KR_09302025_20250930192158.pdf

Arviso_1_Geo_KR_20250930192153.pdf

General_Requirement_PxA_20250930192128.pdf

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 30, 2025 03:42 PM

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

Signature: Kenneth Rennick

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: 09/30/2025

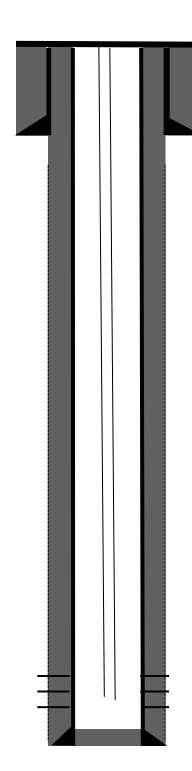
Page 2 of 2

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

- Run 4½" casing scraper to 1900'. RIH & set 4½" cement retainer to 1864'. Pictured Cliffs perforations @ 1914'-1936'. Load and circulate hole.
- Attempt to pressure test casing to 600 psi for 30 mins.
- Run CBL from 1864' to surface.
- Plug I, Pictured Cliffs-Fruitland: Sting in the cement retainer. Squeeze 15 sks, 17.25 cu ft Class G neat cement to cover the Pictured Cliffs below the retainer. Sting out. Spot inside 4½" casing above cement retainer @ 1864' to 1416' w/36 sks (41.4 cu ft) Class G neat cement to cover the Pictured Cliffs & Fruitland tops (5 gal/sk, 15.8 #/gal, 1.15 cu ft/sk). Tag and verify. Plug I, Inside 4½" casing, cement retainer at 1864', 51 sks, 35.65 cu ft, Pictured Cliffs-Fruitland, 1416'-1864'.
- Plug II, Kirtland-Ojo Alamo: Spot Plug II inside 4½" casing from 923' to 684' w/20 sks, 23 cu ft Class G neat cement to cover the Kirtland & Ojo Alamo tops. Plug II, Inside 4½" casing, 20 sks, 23 cu ft, Kirtland-Ojo Alamo, 684'-923'.
- Plug III, surface casing shoe-Surface: Spot Plug III inside 4½" casing from 180' to surface w/15 sks, 17.25 cu ft Class G neat cement to cover from 180 to surface. Plug III, Inside 4½" casing, 15 sks, 17.25 cu ft, surface casing shoe to surface, 0-180'.
- Cut wellhead off. Fill casing w/cement in case needed. Install dry hole marker.
- Clean location. Rig down and move.

Current Wellbore Schematic

Arviso # 1 30-045-33943 Pictured Cliffs 1475' FSL & 860' FWL S5-T24N-R08W San Juan County, NM



7" 23#, J-55 casing @ 130': Hole size -8 ¾" Cemented with 55 sks, Type 5 cement. Circ 3 bbls cement

2-3/8" J-55 tubing ran to 1942'

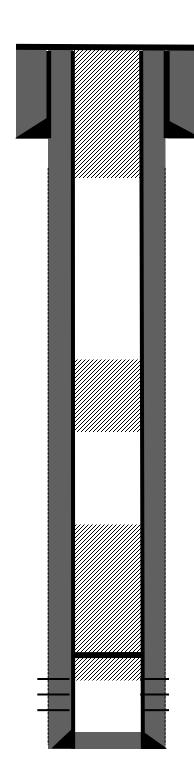
4 ½" **10.5**#, **J-55** casing @ **2107**'. **Hole size: 6-1/4**" Cement w/ 196 sks Type 5 cement. Circ 8 bbls cement

Fruitland Coal Perforated @ 1914' - 1936' w/4 spf

PBTD @ 2062', TD 2115'

Planned P & A Wellbore Schematic

Arviso # 1 30-045-33943 Pictured Cliffs 1475' FSL & 860' FWL S5-T24N-R08W San Juan County, NM



7" 23#, J-55 casing @ 130': Hole size -8 ¾"Cemented with 55 sks, Type 5 cement. Circ 3 bbls cement

Plug III, Inside 4 ½" casing, 15 sks, 17.25 Cu.ft, Surface Casing shoe to surface, 0-180'

Plug II, Inside 4 ½" casing, 20 sks, 23 Cu.ft, Kirtland-Ojo Alamo, 684'-923'.

Set 4 $\frac{1}{2}$ " CR @ 1864'. Squeeze 15 sks, 17.25 Cu.ft cement to cover the Pictured cliffs top below the retainer.

Plug I, Inside 4 ½" casing, Cement Retainer at 1864', 51 sks total (15 sks under 36 sks on top of CR), 35.65 Cu.ft, Pictured Cliffs-Fruitland, 1416'-1864'.

4 ½" **10.5**#, **J-55** casing @ **2107**′. **Hole size**: **6-1/4**″ Cement w/ 196 sks Type 5 cement. Circ 8 bbls cement

Fruitland Coal Perforated @ 1914' - 1936' w/4 spf

PBTD @ 2062', TD 2115'

Arviso # 1 30-045-33943 Pictured Cliffs 1475' FSL & 860' FWL S5-T24N-R08W San Juan County, NM

Formation Tops

- Surface Casing 130'
- Ojo Alamo 784'
- Kirtland 873'
- Fruitland 1516'
- Perforations 1914'-1936'
- Pictured Cliffs 1930'



United States Department of the Interior

BUREAU OF LAND MANAGEMENT Farmington District Office 6251 College Boulevard, Suite A Farmington, New Mexico 87402 http://www.blm.gov/nm



CONDITIONS OF APPROVAL

September 30, 2025

Notice of Intent - Plug and Abandonment

Operator: Dugan Production Corporation

Lease: NMNM 097837

Well(s): Arviso 1, US Well # 30-045-33943

Location: NWSW Sec 5 T24N R8W (San Juan, NM)

Sundry Notice ID #: 2876463

The Notice of Intent to Plug and Abandon is accepted with the following Conditions of Approval (COA):

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
- 2. The following modifications to your plugging program are to be made:
 - a. No changes to the procedure.
- 3. Notification: 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.

K. Rennick 9/30/2025

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 <u>minimum general</u> 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.

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- 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_2S .
- 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.

BLM - FFO - Geologic Report

Date Completed 9/30/2025

 Well No.
 Arviso 1
 Surf. Loc.
 1475 FSL
 860 FWL

 US Well No.
 30-045-33943
 NWSW
 Section 5
 T. 24N R. 8W

Lease No. NMNM 097837

County San Juan State New Mexico

Operator Dugan Production Corporation Formation POTWIN Pictured Cliffs

TVD 2115 PBTD 2062 Elevation KB NA

Elevation GL 6753

Geologic Formations	Est. tops	Remarks
Surface Casing	130	
Ojo Alamo	784	Fresh water aquifer
Kirtland Fm	873	
Fruitland Fm	1516	
Top Perforation	1914	
Pictured Cliffs	1930	
Bottom Perforation	1936	

Remarks: Reference Well:

Limited raster log data. Operator selected formation top appropriate for the area. No changes to the procedure.	N	IA

Prepared by: Kenneth Rennick

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 511026

CONDITIONS

Operator:	OGRID:
DUGAN PRODUCTION CORP	6515
PO Box 420	Action Number:
Farmington, NM 87499	511026
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By		Condition Date
loren.diede	Notify the OCD inspection supervisor via email 24 hours prior to beginning Plug & Abandon (P&A) operations.	10/2/2025
loren.diede	Submit photo and GPS coordinates of the P&A marker with the final P&A reports. The API # on the marker photo must be clearly legible.	10/2/2025