

Well Name: MERRY CHASE	Well Location: T24N / R9W / SEC 10 / SESW / 36.32354 / -107.779321	County or Parish/State: SAN JUAN / NM
Well Number: 90	Type of Well: OTHER	Allottee or Tribe Name:
Lease Number: NMNM100302	Unit or CA Name:	Unit or CA Number:
US Well Number: 300452965000S1	Operator: DUGAN PRODUCTION CORPORATION	

Notice of Intent

Sundry ID: 2879565

Type of Submission: Notice of Intent	Type of Action: Plug and Abandonment
Date Sundry Submitted: 10/21/2025	Time Sundry Submitted: 10:01
Date proposed operation will begin: 10/23/2025	

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

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

- Merry_Chase_90_Rec_Plan_9_30_25_20251021100001.pdf
- Merry_Chase_90_proposed_PA_formation_tops_20251021095942.pdf
- Merry_Chase_90_proposed_PA_planned_wellbore_schematic_20251021095935.pdf
- Merry_Chase_90_proposed_PA_current_wellbore_schematic_20251021095929.pdf
- Merry_Chase_90_proposed_PA_planned_work_20251021095922.pdf

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SESW / 36.32354 / -107.779321

County or Parish/State: SAN
JUAN / NM

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Operator: DUGAN PRODUCTION
CORPORATION

Conditions of Approval

Specialist Review

General_Requirement_PxA_20251021112804.pdf
2879565_90_300452960_NOIA_KR_10212025_20251021112538.pdf
Merry_Chase_90_Geo_KR_20251021112538.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: OCT 21, 2025 10:00 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: 10/21/2025

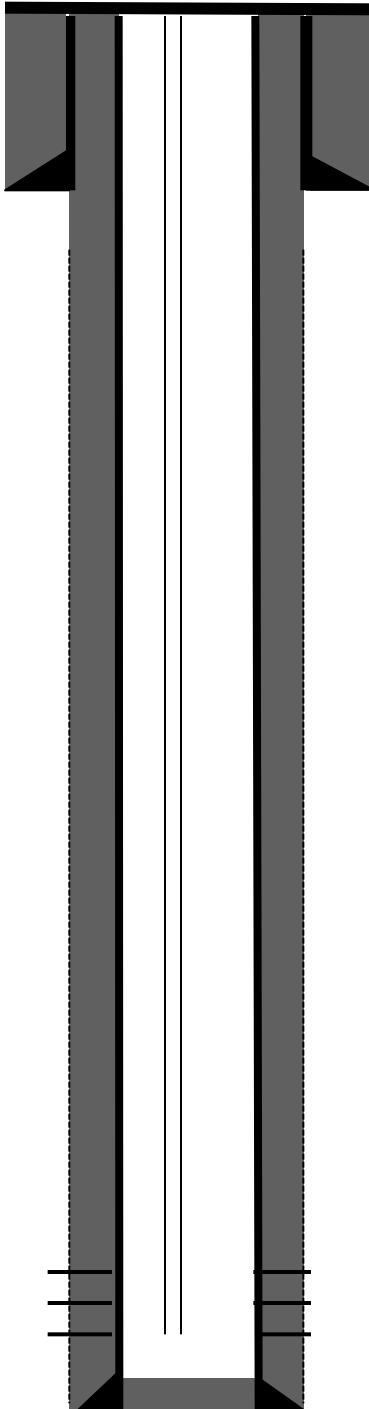
Signature: Kenneth Rennick

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

- Run 4½" casing scraper to 1650'. RIH & set 4½" cement retainer to 1625'. Fruitland perforations @ 1675'-1685'. Load and circulate hole.
- Attempt to pressure test casing to 600 psi for 30 mins.
- Run CBL from 1625' to surface.
- **Plug I, Pictured Cliffs-Fruitland-Kirtland-Ojo Alamo:** Sting in the cement retainer. Squeeze 20 sks, 23 cu ft Class G neat cement to cover the Pictured Cliffs below the retainer till the top perforation at 1675'. Sting out. Spot inside 4½" casing above cement retainer @ 1625' to 792' w/70 sks (80.5 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). Total 90 sks, 103.5 cu ft. Tag and verify. **Plug I, Inside 4½" casing, cement retainer at 1625', 90 sks, 103.3 cu ft, Pictured Cliffs-Fruitland-Kirtland-Ojo Alamo, 792'-1675'.**
- **Plug II, surface casing shoe-Surface:** Spot Plug II inside 4½" casing from 170' to surface w/15 sks, 17.25 cu ft Class G neat cement to cover from 170' to surface. **Plug II, Inside 4½" casing, 15 sks, 17.25 cu ft, surface casing shoe to surface, 0-170'.**
- Cut wellhead off. Fill up the casing with cement if needed. Install dry hole marker.
- Clean location. Rig down and move.

Current Wellbore Schematic

Merry Chase # 90
30-045-29650
Basin Fruitland Coal
790' FSL & 1850' FWL
N-10-T24N-R09W
San Juan County, NM



7" 23#, J-55 casing @ 120': Hole size -8 3/4"

Cemented with 59 Cu.ft Class B cement. Circ 2 bbls cement

2-3/8" J-55 tubing to 1726'

4 1/2" 10.5# casing @ 1777'. Hole size: 6-1/4"

Cement w/ 287 Cu.ft Lodense and 70 Cu.ft Class G cement.

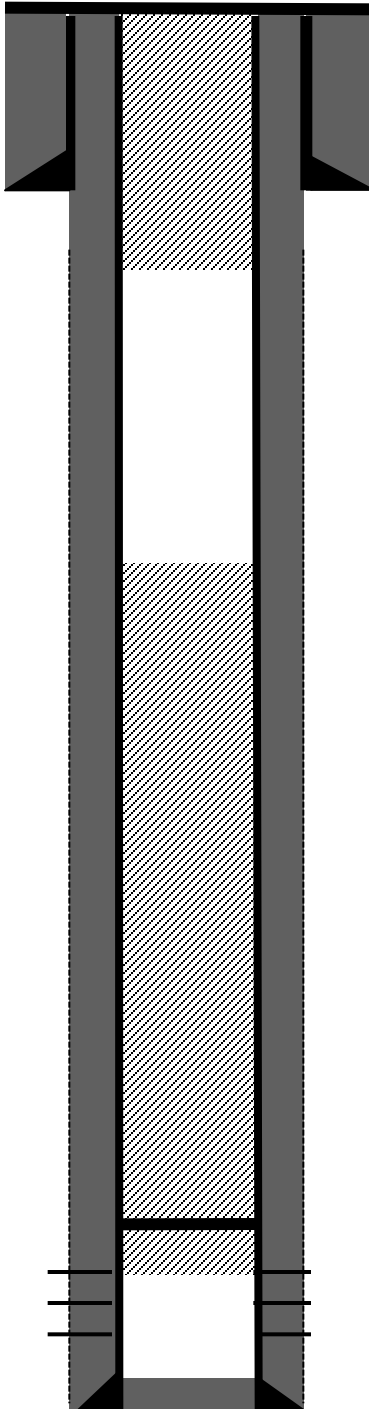
Total: 357 Cu.ft. Circ 15 bbls cement

Fruitland Coal Perforated @ 1675' – 1685' w /4 spf

PBTD @ 1742', TD 1800'

Planned P & A Wellbore Schematic

Merry Chase # 90
30-045-29650
Basin Fruitland Coal
790' FSL & 1850' FWL
N-10-T24N-R09W
San Juan County, NM



7" 23#, J-55 casing @ 120': Hole size -8 3/4"

Cemented with 59 Cu.ft Class B cement. Circ 2 bbls cement

Plug II, Inside 4 1/2" casing, 15 sks, 17.25 Cu.ft, Surface Casing shoe to surface, 0-170'

Set 4 1/2" CR @ 1625'. Squeeze 20 sks, 23 Cu.ft cement to cover the Pictured cliffs top below the retainer.

Plug I, Inside 4 1/2" casing, Cement Retainer at 1625', 90 sks, 103.3 Cu.ft, Pictured Cliffs-Fruitland-Kirtland-Ojo Alamo, 792'-1675'.

4 1/2" 10.5# casing @ 1777'. Hole size: 6-1/4"

Cement w/ 287 Cu.ft Lodense and 70 Cu.ft Class G cement.

Total: 357 Cu.ft. Circ 15 bbls cement

Fruitland Coal Perforated @ 1675' – 1685' w/4 spf

PBTD @ 1742', TD 1800'

Merry Chase # 90
30-045-29650
Basin Fruitland Coal
790' FSL & 1850' FWL
N-10-T24N-R09W
San Juan County, NM

Formation Tops (Operator Submitted)

- **Surface Casing - 120'**
- **Ojo Alamo - 892'**
- **Kirtland - 1000'**
- **Fruitland - 1387'**
- **Perforations - 1675'-1685'**
- **Pictured Cliffs - 1690'**



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

October 21, 2025

Notice of Intent – Plug and Abandonment

Operator: Dugan Production Corporation
Lease: NMNM 100302
Well(s): Merry Chase 90, US Well # 30-045-29650
Location: SESW Sec 10 T24N R09W (San Juan, NM)
Sundry Notice ID #: 2879565

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 10/21/2025

**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 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 H₂S.

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 10/21/2025

Well No.	Merry Chase 90	Surf. Loc.	790 FSL	1850 FWL
US Well No.	30-045-29650		SESW Section 10	T. 24N R. 09W
Lease No.	NMNM 100302			
Operator	Dugan Production Corporation	County	San Juan	State New Mexico
TVD	1800	PBTD	1742	Formation Basin Fruitland Coal
Elevation GL	6708	Elevation KB	NA	

Geologic Formations	Est. tops	Remarks
Surface Casing	120	
Ojo Alamo	892	Fresh water aquifer
Kirtland Fm	1000	
Fruitland Fm	1387	
Top Perforation	1675	
Bottom Perforation	1685	
Pictured Cliffs	1690	

Remarks:

Reference Well:

Limited raster log data. Operator selected formation tops are appropriate for the area.
No changes to the procedure.

NA

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 518568

CONDITIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 518568
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

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