

Well Name: GRIGSBY	Well Location: T25N / R10W / SEC 8 / NWNW / 36.42036 / -107.92526	County or Parish/State: SAN JUAN / NM
Well Number: 3	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM8007	Unit or CA Name:	Unit or CA Number:
US Well Number: 300452162300S1	Well Status: Producing Gas Well	Operator: DUGAN PRODUCTION CORPORATION

Notice of Intent**Sundry ID:** 2692624**Type of Submission:** Notice of Intent**Type of Action:** Plug and Abandonment**Date Sundry Submitted:** 09/14/2022**Time Sundry Submitted:** 04:29**Date proposed operation will begin:** 01/05/2023

Procedure Description: Dugan Production plans to plug and abandon well per the following procedure: 1) TOOH w/2-3/8", 4.7# tubing. Run 4-1/2" casing scraper to 6170'. RIH & set 4-1/2" CIBP @ 6167'. Dakota perforations @ 6217'-6273'. Load and circulate hole clean. Pressure test casing to 600 psi. Run CBL from 6167' to surface. Sent CBL to BLM/NMOC. Will make changes to the plugs after reviewing the CBL. 2) Spot Plug I above BP inside 4-1/2" casing from 6167' to 6067' w/12 sks (13.8 cu ft) Class G cement to cover the depths and 50' excess (1.15 cu ft/sk, 15.8#/gal). Plug I, Dakota, inside 4-1/2" casing, 6067'-6167'. 3) Spot Plug II inside 4-1/2" casing from 5147' to 5047' w/12 sks (13.8 cu ft) Class G cement to cover the Gallup top and 50' excess. Plug II, Gallup, inside 4-1/2" casing, 5047'-5147'. 4) Spot Plug III inside 4-1/2" casing from 4333' to 4233' w/12 sks (13.8 cu ft) Class G cement to cover the Mancos top and 50' excess. Plug III, Mancos, inside 4-1/2" casing, 4233'-4333'. 5) Spot Plug IV inside 4-1/2" casing from 2460' to 1979' w/42 sks (48.3 cu ft) Class G cement to cover the Mesaverde & Chacra tops and 50' excess. Plug IV, Mesaverde-Chacra, inside 4-1/2" casing, 1979'-2460'. 6) Spot Plug V inside 4-1/2" casing from 1637' to 1456' w/18 sks (20.7 cu ft) Class G cement to cover the Pictured Cliffs & Fruitland tops and 50' excess. Plug V, Pictured Cliffs-Fruitland, inside 4-1/2" casing, 1456'-1637'. 7) Spot Plug VI inside 4-1/2" casing from 863' to surface w/72 sks (82.8 cu ft) Class G cement to cover the Kirtland-Ojo Alamo-Surface casing shoe-Surface and 50' excess. Plug VI, Kirtland-Ojo Alamo-Surface, inside 4-1/2" casing, 0'-863'. 8) Cut wellhead. Tag TOC at surface. Fill cement in case needed. 9) Install dry hole marker. Clean location.

Well Name: GRIGSBY

Well Location: T25N / R10W / SEC 8 /
NWNW / 36.42036 / -107.92526County or Parish/State: SAN
JUAN / NM

Well Number: 3

Type of Well: CONVENTIONAL GAS
WELL

Allottee or Tribe Name:

Lease Number: NMNM8007

Unit or CA Name:

Unit or CA Number:

US Well Number: 300452162300S1

Well Status: Producing Gas Well

Operator: DUGAN
PRODUCTION CORPORATION**Surface Disturbance**

Is any additional surface disturbance proposed?: No

NOI Attachments**Procedure Description**

Grigsby_Federal_3_P_A_reclamation_plan_20220914162743.pdf

Grigsby_Federal_3_formation_tops_20220914162626.pdf

Grigsby_Federal_3_planned_wellbore_schematic_20220914162617.pdf

Grigsby_Federal_3_current_wellbore_schematic_20220914162606.pdf

Conditions of Approval**Additional**

25N10W08DKd_Grigsby_Fed_003_20220930132043.pdf

Authorized

General_Requirement_PxA_20220930150627.pdf

2692624_NOIA_3_3004521623_KR_09302022_20220930150616.pdf

Well Name: GRIGSBY

Well Location: T25N / R10W / SEC 8 /
NWNW / 36.42036 / -107.92526County or Parish/State: SAN
JUAN / NM

Well Number: 3

Type of Well: CONVENTIONAL GAS
WELL

Allottee or Tribe Name:

Lease Number: NMNM8007

Unit or CA Name:

Unit or CA Number:

US Well Number: 300452162300S1

Well Status: Producing Gas Well

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 14, 2022 04:25 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)325-1821

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: 09/30/2022

Signature: Kenneth Rennick

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

AFMSS 2 Sundry ID 2692624

Attachment to notice of Intention to Abandon

Well: Grigsby 3

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. 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 9/30/2022

BLM FLUID MINERALS P&A Geologic Report

Date Completed: 09/30/2022

Well No. Grigsby Fed #003 (API# 30-045-21623)	Location	840	FNL	&	850	FWL
Lease No. NMNM8007	Sec. 08	T25N			R10W	
Operator Dugan Production Corporation	County	San Juan	State		New Mexico	
Total Depth 6375'	PBTD 6333'	Formation	Dakota			
Elevation (GL) 6479'	Elevation (KB) 6492'					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose					
Nacimiento			Surface	573	Surface/possible freshwater sands
Ojo Alamo Ss			573	813	Aquifer (possible freshwater)
Kirtland Shale			813	1506	Possible gas
Fruitland			1506	1587	Coal/Gas/Water
Pictured Cliffs Ss			1587	1634	Probable Gas
Lewis Shale			1634	2029	
Chacra			2029	2410	Possible Gas
Cliff House Ss			2410	2580	Water/probable gas
Menefee			2580	4019	Coal/Ss/Water/probable gas
Point Lookout Ss			4019	4283	Probable water/O&G
Mancos Shale			4283	5097	Probable O&G
Gallup			5097	5972	Probable O&G
Greenhorn			5972	6038	
Graneros Shale			6038	6171	Probable O&G
Dakota Ss			6171	PBTD	O&G/water
Morrison					

Remarks:

P & A

- No well log available for subject well. Operator tops are acceptable based on Reference Well #1.
- The plugs proposed in the P&A procedure will adequately protect any freshwater sands in this well bore.
- Dakota perms 6217'- 6273'.

Reference Well:

1) **Formation Tops**
QEP Energy Company
Grigsby Fed #004
1650' FSL, 990' FWL
Sec. 08, T25N, R10W
6468' KB

Prepared by: Chris Wenman

**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), five copies, 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.

(October 2012 Revision)

Planned P & A Schematic

Grigsby Federal # 3

API: 30-045-21623

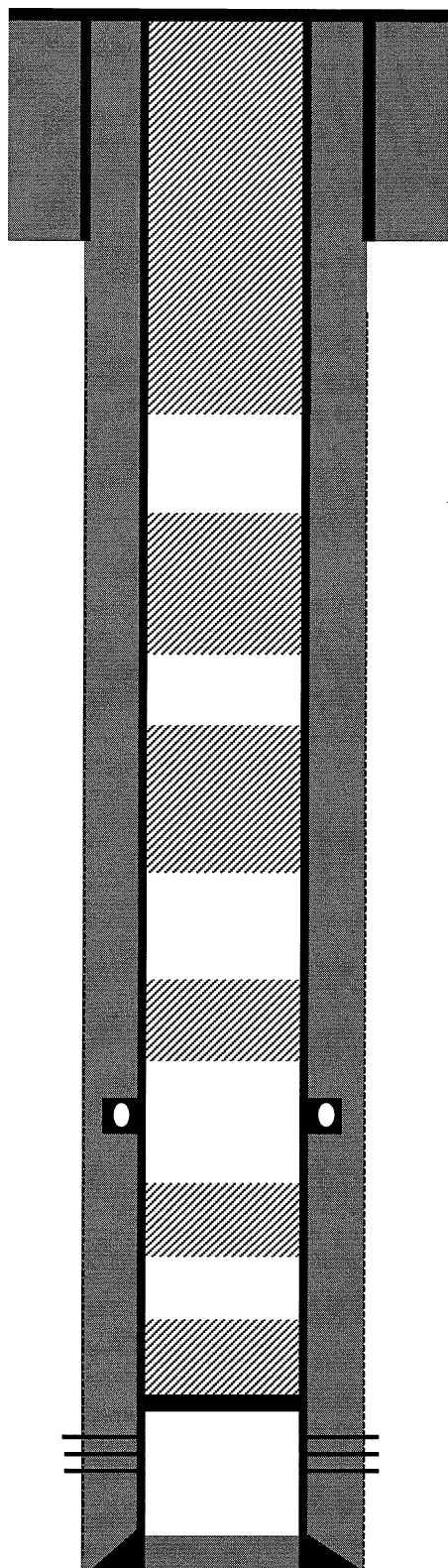
Unit D Sec 8 T25N R10W

840' FNL & 850' FWL

Lease: NM-8007, Dakota

San Juan County, NM

Lat; 36.4204865 Long: -107.9258118



8-5/8" J-55 24# casing @ 205'. Cemented with 165 sks. Hole size: 12-1/4

Spot and circulate cement to surface w/ 72 sks Class G @ 0-863'
(82.8 cu.ft) [Plug VI: Surface-Ojo Alamo-Kirtland, 0-863']Spot inside plug w/ 18 sks Class G (20.7 cu.ft) @ 1456'-1637'
[Plug V: Fruitland-PC, 1456'-1637']Spot inside plug w/ 42 sks Class G (48.3 cu.ft) @ 1929'-2460'
[Plug IV: Mesaverde-Chacra, 1929'-2460']Inside plug w/ 12 sks Class G @ 4233'-4333' (13.8 cu.ft)
[Plug III, Mancos, 4233'-4333']Cemented Stage I w/ 230 sks 50-50 poz followed by 180 sks Class B. DV tool @ 4510'.
Stage II w/ 475 sks.Inside plug w/ 12 sks Class G @ 5047'-5147' (13.8 cu.ft)
[Plug II, Gallup, 5047'-5147']CIBP @ 6167'. Inside plug w/ 12 sks Class G @ 6067'-6167' (13.8 cu.ft)
[Plug I, Dakota, 6067'-6167']

Dakota Perforated @ 6217'-6273'

4 1/2" 10.5 # casing @ 6375'. PBTD @ 6333'. Hole size: 7-7/8"

Current Wellbore Schematic

Grigsby Federal # 3

API: 30-045-21623

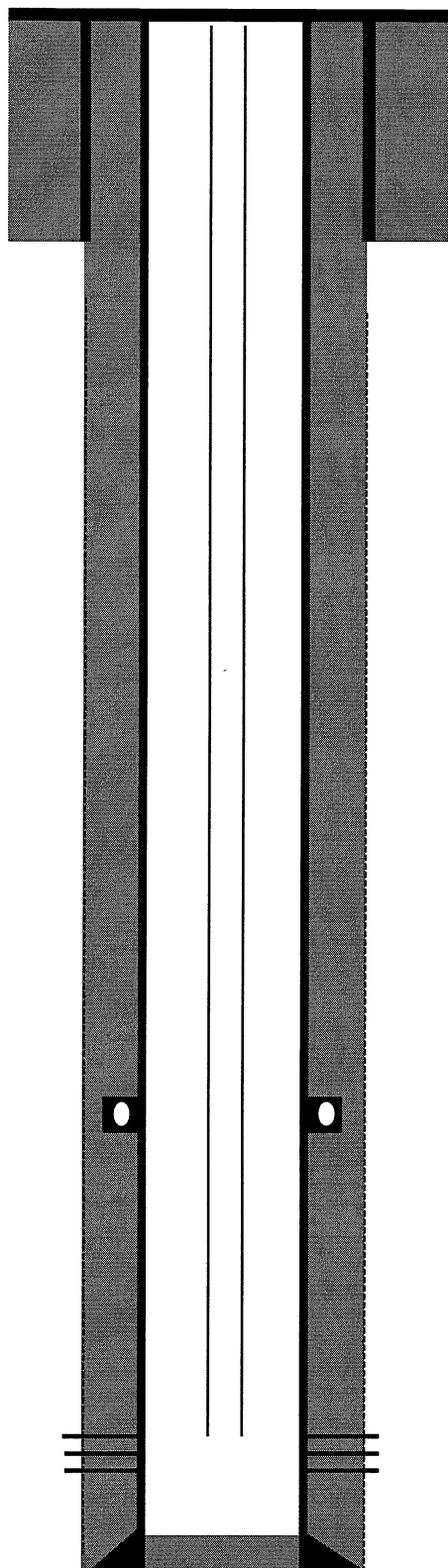
Unit D Sec 8 T25N R10W

840' FNL & 850' FWL

Lease: NM-8007, Dakota

San Juan County, NM

Lat; 36.4204865 Long: -107.9258118



8-5/8" J-55 24# casing @ 205'. Cemented with 165 sks. Hole size: 12-1/4

Cemented Stage I w/ 230 sks 50-50 poz followed by 180 sks Class B. DV tool @ 4510'.
Stage II w/ 475 sks.

2-3/8" J-55, 4.7# tubing to 6028'

Dakota Perforated @ 6217'-6273'

4 1/2" 10.5 # casing @ 6375'. PBTD @ 6333'. Hole size: 7-7/8"

Formation Tops

Grigsby Federal # 3
API: 30-045-21623
Unit D Sec 8 T25N R10W
840' FNL & 850' FWL
Lease: NM-8007, Dakota
San Juan County, NM
Lat; 36.4204865 Long: -107.9258118

Elevation ASL : 6479'

Formation Tops

- **Ojo Alamo - 573'**
- **Kirtland - 813'**
- **Fruitland - 1506'**
- **Pictured Cliffs - 1587'**
- **Lewis - 1634'**
- **Chacra - 2029'**
- **Mesaverde - 2410'**
- **Mancos - 4283'**
- **Gallup - 5097'**
- **Dakota - 6171**

P&A Reclamation Plan

PURPOSE AND SCOPE

The purpose of this Reclamation Plan is to ensure final reclamation of the **Grigsby Federal # 3, API # 30-045-21623** and associated access road based on the BLM/Operator on-site inspection conducted in accordance with Onshore Order #1 and the FFO Bare Soil Reclamation Procedures.

PROPOSED RECLAMATION PLAN

Operator will comply with the requirements in accordance with the approved Sundry Notice associated with this submittal.

- Contact BLM 48 hours prior to commencing earthwork.
- Reclamation to be completed within 1 year of plugging date.
- Remove all underground production piping.
- Remove all rig anchors on the location.
- Strip available topsoil from areas that will be disturbed during the reclamation of this well site
- Remove all gravel on well pad surface. Gravel may be used as fill material at the base of the cut slope to re-establish the natural topography.
- Use fill material on the location to reconstruct natural topography. If enough fill material is available, excess material will be used to build up the access road AFTER ripping the road base to eliminate surface compaction hard pan.
- **NOTE: NO disturbance will occur outside the areas currently disturbed by the well location access road boundaries.**
- After location has been re-contoured, rip, disk and seed the location and access road with a disk type seed drill.
- Install a woven wire fence at and across the access road leading to the well site at the intersection of the main road and take off point(s) to discourage access on rehabilitated access road.
- Install a sign on fence, i.e., Seeded Area—Do Not Disturb.

Waste Material Handling and Disposal

All surface equipment and trash, if any, will be removed from the location and disposed of at an approved waste disposal facility.

Surface Reconstruction and Stabilization

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration including the restoration of natural vegetation. Operator will avoid disturbance to the mature vegetation that has become well established on the pad perimeter to the extent practicable, and will focus reclamation efforts toward de-compaction, removing sharp, angular features to more closely approximate the natural contours, re-establishing natural drainage patterns, and re-vegetating the abandoned well pad and access road.

Well Pad Reclamation

(Note: some steps may occur in different sequence than listed below or may occur simultaneously as the case may be):

1. The following activities would take place before commencing with any dirt work to restore the pad surface:

- The BLM Authorized officers will be notified at least 48 hours prior to construction.
- Pre-construction conditions will be documented, and pictures taken from the four cardinal directions for future reference;
- The P&A marker will remain as is. All pertinent well information is permanently imprinted onto the marker for future reference.
- Temporary and/or permanent stormwater and erosion control BMPs will be employed at appropriate locations around the pad as dictated by local drainage patterns and expected areas of disturbance and slopes AND across the access road. BMP selection will be determined by local factors and will be a combination of sediment and erosions controls that are deemed effective and low maintenance. Straw wattles, diversion ditches, mulch, soil blankets, and/or other suitable BMPs may be used in various combinations, as appropriate, during and after construction activities;
- Remove all gravel on well pad surface. Gravel may be used at the base of the cut slope underneath the fill material to re-establish the natural topography.
- Use fill material to reconstruct natural topography.
- If enough fill material is available, excess material will be used to build up the access road (which is lower in depth than the natural grade due to compaction and erosion) AFTER ripping the road base to eliminate surface compaction hard pan;
- Those areas where healthy, mature, and weed-free vegetation has established along the pad perimeter will remain undisturbed to the extent possible;
- Natural drainage patterns will be restored, as practical, as near as possible to pre-disturbance conditions;
- The pad surface will be ripped by Bulldozer or Grader to reduce compaction and to establish a suitable root zone in preparation for topsoil replacement;
- Topsoil will be redistributed across the pad surface and disked to prepare the soil for seeding;
- After location has been re-contoured, rip, disk and seed the location and access road with a disk type seed drill;
- All disturbed areas will be seeded in accordance with the FFO Bare Soil Reclamation Procedures.

Access Road Reclamation

Upon completion of all well pad reclamation activities, the associated access road will be reclaimed using much the same methods as described above. The road will be ripped and scarified to reduce compaction, and any sharp or angular cuts or fills would be restored as near as possible to pre-disturbance conditions. **NO disturbance will occur outside the areas currently disturbed by the access road boundaries.**

Establish vegetation along the roadsides will remain undisturbed where possible to encourage native plant growth onto the new disturbance and to maintain erosion and sediment control. Straw wattles and/or diversion ditches will be placed at appropriate locations along the road as needed to prevent sediment transport to local drainages. Other suitable BMPs may be used in various combinations, as appropriate, during and after construction activities.

All disturbed areas will be re-seeded in accordance with BLM FFO Bare Soil Reclamation Procedures.

To discourage future use of the road, a temporary fence consisting of woven wire fence at and across the access road leading to the well site at the intersection of the main road and rake off point(s) to discourage access on rehabilitated access road and will serve as a barricade to discourage access to the newly reclaimed road and will be left in place until the road & well pad have been stabilized.

A sign will be installed on the fence, i.e., "Seeded Area – Do Not Disturb" or equivalent

Re-establishing Surface Hydrology

Natural drainage patterns will be restored as near as possible to pre-construction conditions, except where restoring the natural drainage will cause excessive disturbance and disrupt the natural rehabilitation process that have already established. In those areas, additional means for ensuring proper drainage, such as water bars or diversion ditches, may be employed.

Eroded areas will be filled in using material from the well location and Best Management Practices (BMPs) for Storm water pollution prevention such as silt traps, excelsior mats, wattles/sediment control logs and straw distributed on the surface and crimped or harrowed into the soil after drill seeding.

Given that the well pad will effectively be inaccessible following road reclamation and because the only potential pollution source will be runoff sediment; the temporary stormwater BMPs will be removed upon completion of construction activities. Drainage, sediment, and erosion controls will be managed through vegetative practices and/or biodegradable materials (i.e., soil blankets, straw wattles, crimped straw, mulch, brush and woody debris, pocking, etc.).

All drainage, sediment, and erosion controls will be implemented in accordance with Operator standard Stormwater Management Plan.

Site Preparation, Soil Management and Handling

Fill material will be pushed into cuts and over the back slope as necessary and any sharp, angular cuts and fills will be smoothed to conform as nearly as practical to the adjacent landform. The pad and road surfaces will then be ripped, sacrificed, and/or disked to a depth adequate for establishing a suitable root zone.

All salvaged topsoil material will be reused and spread evenly over the disturbed areas. Prior to seeding, all disturbed areas will be left with a rough surface to facilitate moisture and seed retention, and vegetative slash/brush will be placed at expected discharge areas to minimize sediment transport. The topsoil in the area is generally deep and no soil amendments are expected or proposed.

Revegetation

Following soil preparations, a range drill (disk type seed drill) will be used to apply the approved seed mix over the disturbed areas. The drill will be equipped with a depth regulator to ensure even planting depths appropriate to the plant and species and soil types. Should broadcast seeding be deemed more appropriate in some areas, the seed application rates will be doubled, and a rake or harrow used to incorporate the seed into the soil. Any steep slopes, greater than 2:1, will be blanketed for soil stabilization and seed retention.

The seed mixture and application rates for the reclamation site shall be an approved BLM mixture that represents the vegetative community.

Seed mix is available locally or from Southwest Seed in Dolores, CO, or an approved vendor of native seed mixes.

Seed mixture will be certified weed-free and the seeding records (bag labels) or other official documentation will be available to the Authorized Officer prior to seeding.

Seeding will be accomplished as soon as reasonably possible following completion of earthwork activities. The Authorized Officer will be notified forty-eight (48) hours prior to commencing with seed application.

Weed Management

Operator's objective is to implement an integrated weed management program to control weed populations and establish desirable vegetation utilizing the following strategies:

- Control the introduction and spread of weeds through early detection.
- Establish desirable native vegetation on disturbed areas through successful re-vegetation efforts.
- Treat and control known weed populations

Among the measures that will be implemented to prevent the introduction or establishment of weeds in areas not already infested include:

- Identification and eradication of new infestations as quickly as practical.
- Implement successful re-seeding efforts as quickly as practical in areas that have been disturbed.

Local factors, such as soil type and stability; grade; associated vegetation; existing and proposed land use; proximity to water; weed type and stage of growth; and severity of infestation; will be considered in selecting the appropriate weed management method(s). The management method(s) selected will be the least environmentally damaging, yet practical and reasonable in achieving the desired results.

Operator will utilize chemical treatment as the preferred method of weed management and control. The proper use of herbicides at the optimum time can be an effective method for controlling persistent weeds. A Pesticide Use Proposal (PUP) will be pre-approved by the BLM prior to any chemical treatment. The use and handling of herbicides will be in accordance with all application rates, restrictions, and warnings listed on the label and MSDS. Preparation and application of all herbicides will be licensed by the State of Colorado/New Mexico, Department of Agriculture, and a Daily Weed Pesticide Application Record will be completed and retained for all spraying activities.

Other methods to be used for weed control will include the following:

- Remove soil, seeds, and vegetative matter prior to entering or leaving the project site on all construction equipment and transport vehicles, trucks, pickups, and other vehicles;
- Ensure that all seed mixes, straw, and/or mulch used in reclamation are certified weed-free;
- Promptly revegetating disturbed areas;
- Treating and/or removing weeds prior to ground-disturbing activities to limit seed production and dispersal;
- Treating noxious weeds that have escaped the project area onto adjacent areas to prevent further expansion into un-infested areas and re-infestation of the treated areas;

Monitoring

After the earthwork and seeding is completed and seeding is completed, Operator will submit Sundry Notice informing the BLM that reclamation has been completed and which includes a request for an inspection of the earthwork and seeding.

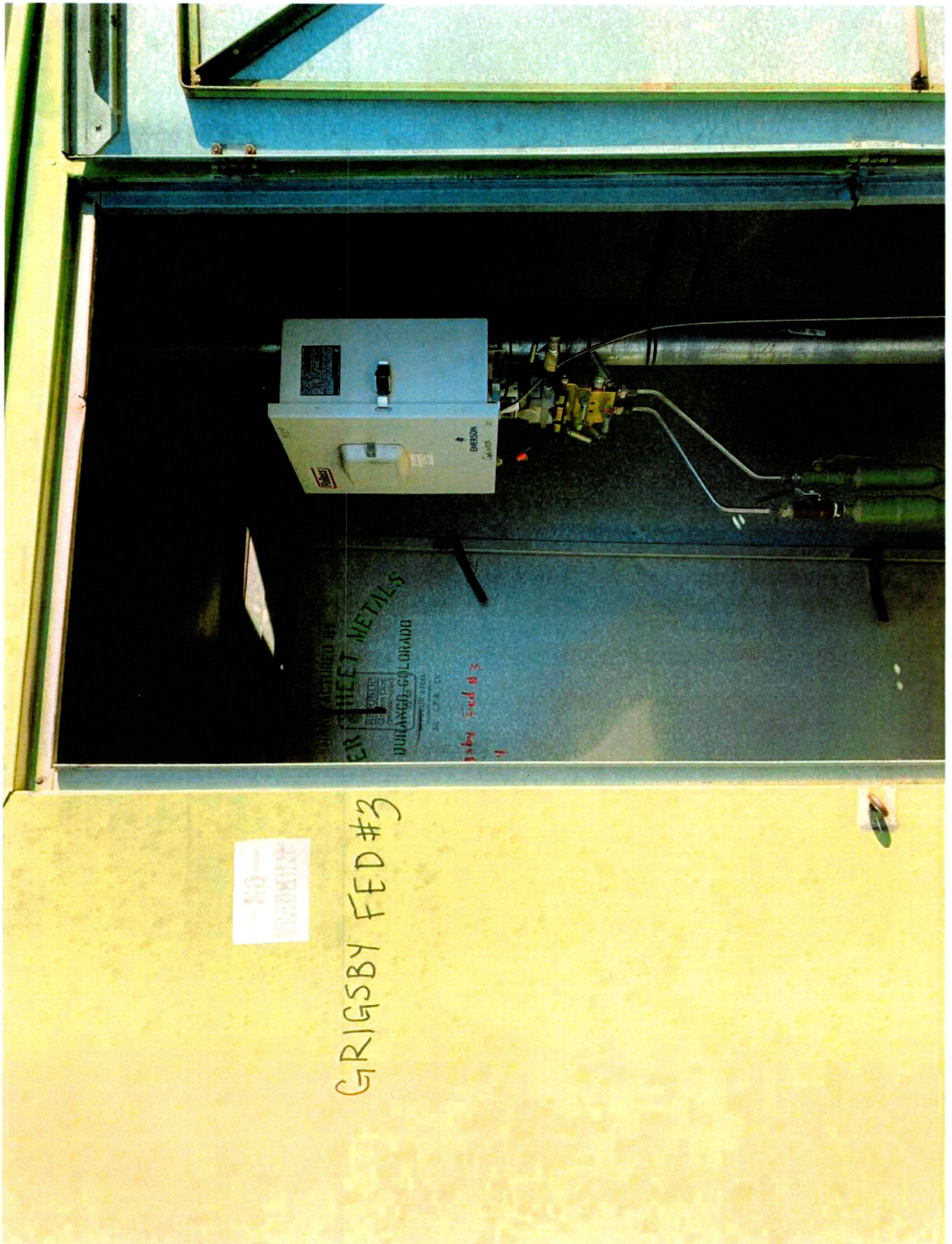
A joint inspection will be conducted by Operator and BLM. During the inspection, the BLM and Operator will establish a line point intercept transect.

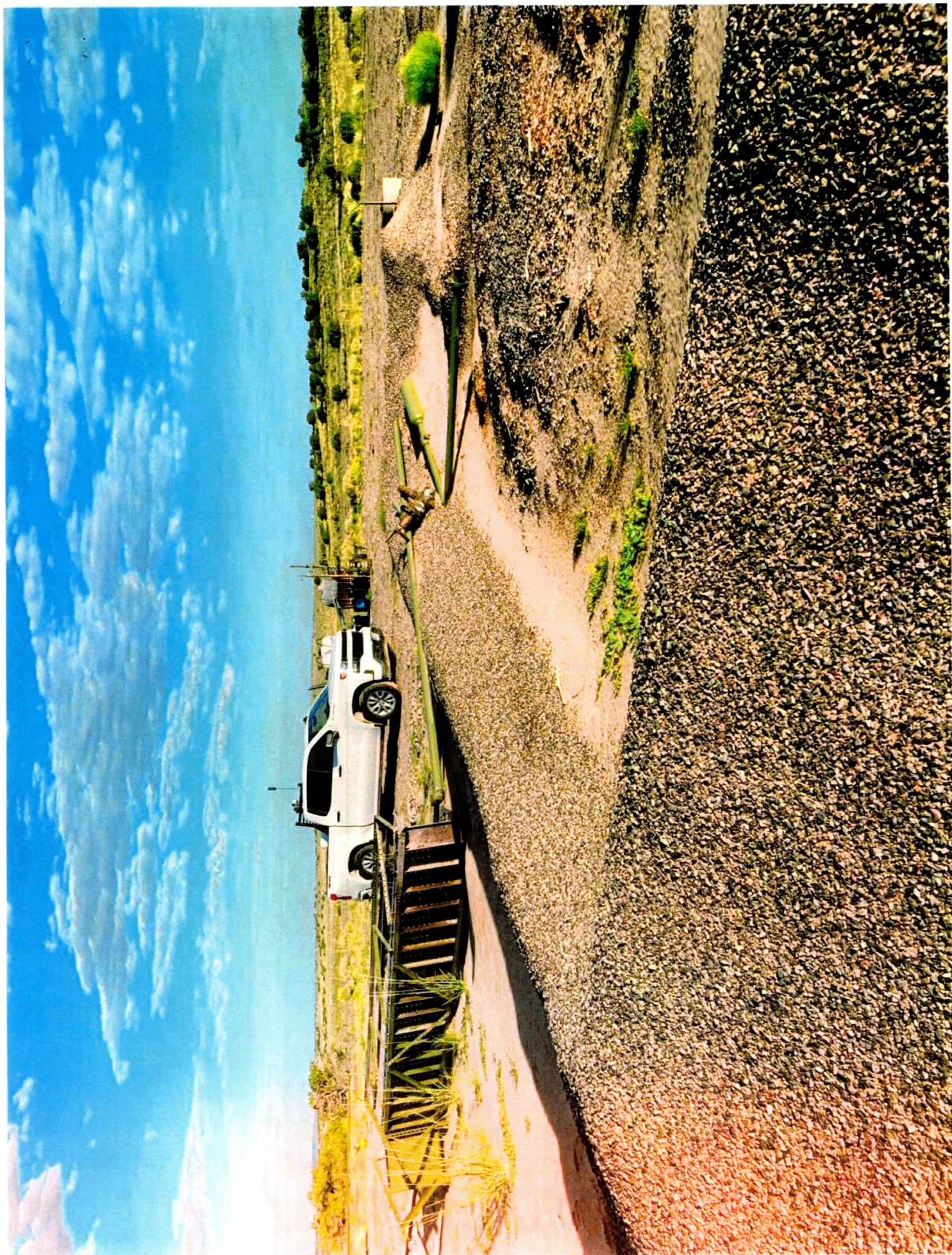
After establishment of adequate vegetation, Operator will read the line point intercept transect and take photos of the site. Operator will submit a Sundry Notice (FAN) requesting approval of the remediated well location and access road. Data results from the line point intercept transect and photos of the location and access road will be submitted as supporting documentation for the FAN Sundry Notice.

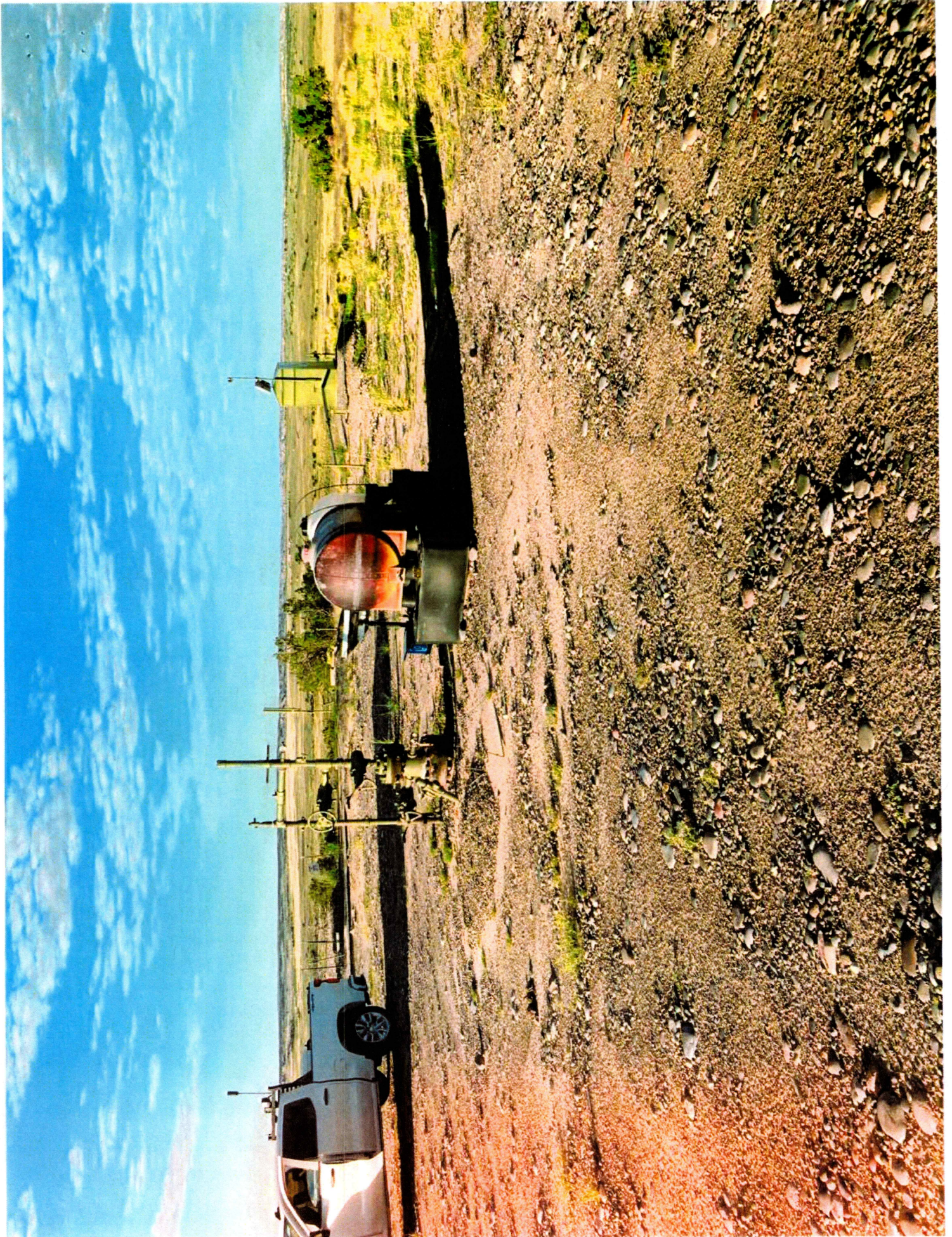
Summary

Dugan Production will perform the following actions as deemed necessary from pre-P&A inspection

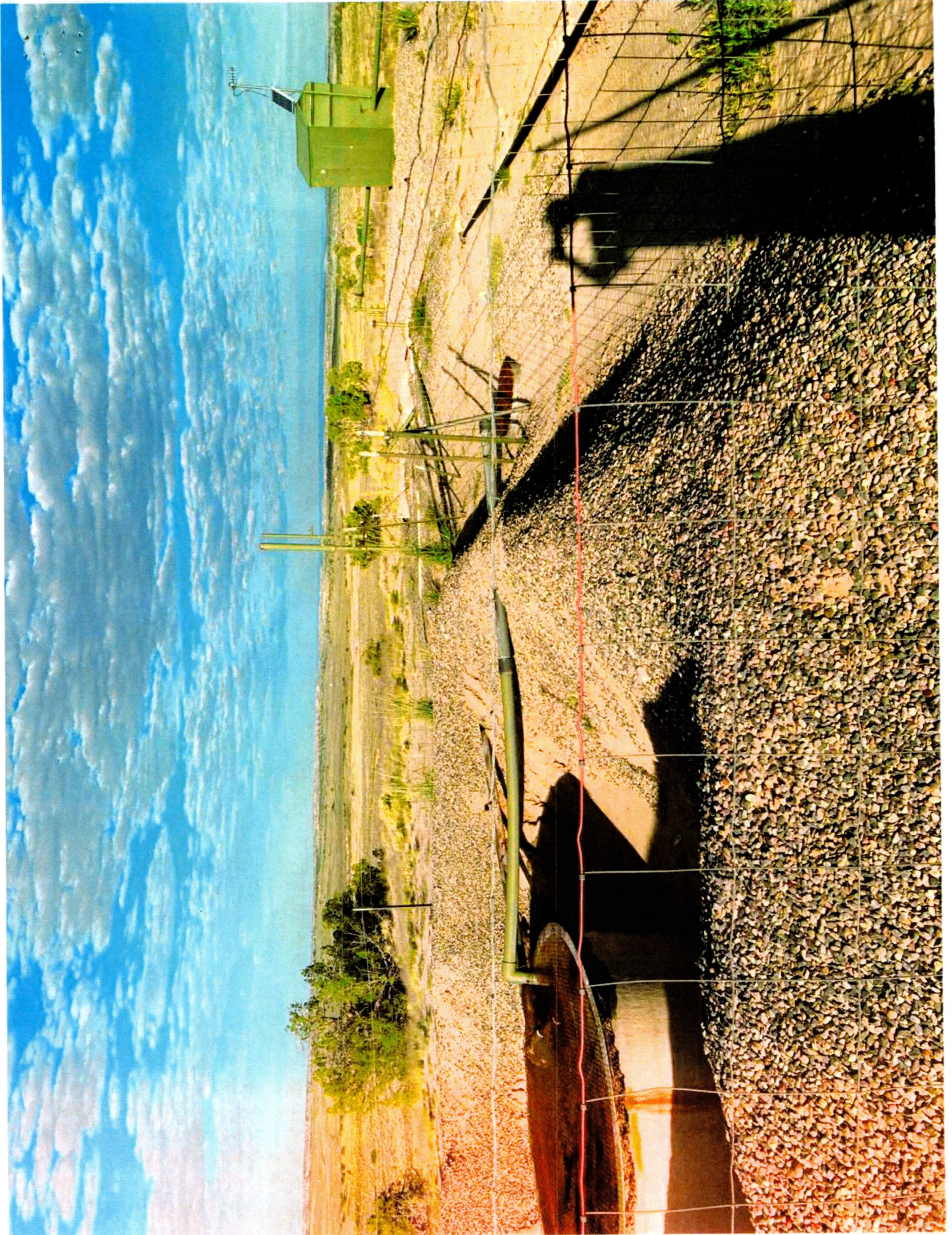
1. Remove all well site equipment
2. Contour and restore area to match surrounding topography prior to pad construction
3. Rip, disc and reseed the well pas and access road
4. Close and sample the BGT on location











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 148107

CONDITIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 148107
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	10/5/2022
kpickford	Adhere to BLM approved COAs and plugs. See BLM COAs and GEO report.	10/5/2022