

Well Name: PAN AMERICAN FEDERAL	Well Location: T30N / R14W / SEC 24 / SESW / 36.795258 / -108.262543	County or Parish/State: SAN JUAN / NM
Well Number: 1	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF081231B	Unit or CA Name:	Unit or CA Number:
US Well Number: 300450933700S1	Well Status: Producing Gas Well	Operator: DUGAN PRODUCTION CORPORATION

Notice of Intent

Sundry ID: 2753376

Type of Submission: Notice of Intent

Date Sundry Submitted: 10/04/2023

Date proposed operation will begin: 11/13/2023

Type of Action: Plug and Abandonment

Time Sundry Submitted: 04:07

Procedure Description: Dugan Production plans to plug and abandon the well per the following procedure: 1) TOOH w/2" EUE tubing. Run 4½" casing scraper to 5920'. RIH & set 4½" CIBP @ 5916'. Dakota perforations @ 5968'-6182'. 2) Load & circulate hole. Pressure test casing to 600 psi for 30 minutes. Run CBL from 5916' to surface. Will make necessary changes to the plugs after reviewing the CBL. 3) Spot Plug I inside 4½" casing from 5918' to 5768' w/12 sks (13.8 cu ft) Class G cement to cover the Dakota top. Plug I, Inside 4½" casing, 12 sks, 13.8 cu ft, Dakota, 5768'-5918'. 4) Spot Plug II inside 4½" casing from 5146' to 4996' w/12 sks (13.8 cu ft) Class G cement to cover the Gallup top. Plug II, Inside 4½" casing, 12 sks, 13.8 cu ft, Gallup, 4996'-5146'. 5) Spot Plug III inside 4½" casing from 4185' to 4035' w/12 sks (13.8 cu ft) Class G cement to cover the Mancos top. Plug III, Inside 4½" casing, 12 sks, 13.8 cu ft, Mancos, 4035'-4185'. 6) Shoot squeeze holes @ 2953'. Spot & squeeze Plug IV inside/outside 4½" casing from 2953' to 2803' w/52 sks (59.3 cu ft) Class G cement to cover the Mesaverde top. Plug IV, Inside/Outside 4½" casing, 52 sks, 59.3 cu ft, Mesaverde, 2803'-2953'. 7) Shoot squeeze holes @ 2400'. Spot & squeeze Plug V inside/outside 4½" casing from 2400' to 2250' w/52 sks (59.3 cu ft) Class G cement to cover the Chacra top. Plug V, Inside/Outside 4½" casing, 52 sks, 59.3 cu ft, Chacra, 2250'-2400'. 8) Shoot squeeze holes @ 1423'. Spot & squeeze Plug VI inside/outside 4½" casing from 1423' to 1273' w/52 sks (59.3 cu ft) Class G cement to cover the Pictured Cliff top. Plug VI, Inside/Outside 4½" casing, 52 sks, 59.3 cu ft, Pictured Cliff, 1273'-1423'. 9) Shoot squeeze holes @ 1122'. Spot & squeeze Plug VII inside/outside 4½" casing from 1122' to 972' w/52 sks (59.3 cu ft) Class G cement to cover the Fruitland top. Plug VII, Inside/Outside 4½" casing, 52 sks, 59.3 cu ft, Fruitland, 972'-1122'. 10) Shoot squeeze holes @ 319'. Spot & squeeze Plug VIII inside/outside 4½" casing from 319' to surface w/92 sks (105.8 cu ft) Class G cement to cover the surface casing shoe. Circulate cement through BH. Plug VIII, Inside/Outside 4½" casing, 92 sks, 105.8 cu ft, surface casing shoe, 0'-319'. 11) Cut wellhead. Tag TOC at surface. Fill cement incase needed. 12) Install dry hole marker. Clean location.

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Well Number: 1	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF081231B	Unit or CA Name:	Unit or CA Number:
US Well Number: 300450933700S1	Well Status: Producing Gas Well	Operator: DUGAN PRODUCTION CORPORATION

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

- Pan_American_Federal_1_planned_PA_Reclamation_Plan_20230926133231.pdf
- Pan_American_Federal_1_PA_formation_tops_20230926132642.pdf
- Pan_American_Federal_1_PA_planned_wellbore_schematic_20230926132634.pdf
- Pan_American_Federal_1_PA_current_wellbore_schematic_20230926132623.pdf
- Pan_American_Federal_1_planned_PA_procedure_20230926132612.pdf

Conditions of Approval

Specialist Review

- 2753376_NOIA_1_3004509337_KR_10042023_20231004170733.pdf
- 30N14W24_Pan_American_Federal_001_Geo_KR_20231004170728.pdf
- General_Requirement_PxA_20231004170720.pdf

Well Name: PAN AMERICAN FEDERAL	Well Location: T30N / R14W / SEC 24 / SESW / 36.795258 / -108.262543	County or Parish/State: SAN JUAN / NM
Well Number: 1	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF081231B	Unit or CA Name:	Unit or CA Number:
US Well Number: 300450933700S1	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: OCT 04, 2023 04:07 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

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: 10/04/2023
Signature: Kenneth Rennick	

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

- TOOH w/2" EUE tubing. Run 4½" casing scraper to 5920'. RIH & set 4½" CIBP @ 5916'. Dakota perforations @ 5968'-6182'.
- Load & circulate hole. Pressure test casing to 600 psi for 30 minutes. Run CBL from 5916' to surface. Will make necessary changes to the plugs after reviewing the CBL.
- Spot Plug I inside 4½" casing from 5918' to 5768' w/12 sks (13.8 cu ft) Class G cement to cover the Dakota top. **Plug I, Inside 4½" casing, 12 sks, 13.8 cu ft, Dakota, 5768'-5918'.**
- Spot Plug II inside 4½" casing from 5146' to 4996' w/12 sks (13.8 cu ft) Class G cement to cover the Gallup top. **Plug II, Inside 4½" casing, 12 sks, 13.8 cu ft, Gallup, 4996'-5146'.**
- Spot Plug III inside 4½" casing from 4185' to 4035' w/12 sks (13.8 cu ft) Class G cement to cover the Mancos top. **Plug III, Inside 4½" casing, 12 sks, 13.8 cu ft, Mancos, 4035'-4185'.**
- Shoot squeeze holes @ 2953'. Spot & squeeze Plug IV inside/outside 4½" casing from 2953' to 2803' w/52 sks (59.3 cu ft) Class G cement to cover the Mesaverde top. **Plug IV, Inside/Outside 4½" casing, 52 sks, 59.3 cu ft, Mesaverde, 2803'-2953'.**
- Shoot squeeze holes @ 2400'. Spot & squeeze Plug V inside/outside 4½" casing from 2400' to 2250' w/52 sks (59.3 cu ft) Class G cement to cover the Chacra top. **Plug V, Inside/Outside 4½" casing, 52 sks, 59.3 cu ft, Chacra, 2250'-2400'.**
- Shoot squeeze holes @ 1423'. Spot & squeeze Plug VI inside/outside 4½" casing from 1423' to 1273' w/52 sks (59.3 cu ft) Class G cement to cover the Pictured Cliff top. **Plug VI, Inside/Outside 4½" casing, 52 sks, 59.3 cu ft, Pictured Cliff, 1273'-1423'.**
- Shoot squeeze holes @ 1122'. Spot & squeeze Plug VII inside/outside 4½" casing from 1122' to 972' w/52 sks (59.3 cu ft) Class G cement to cover the Fruitland top. **Plug VII, Inside/Outside 4½" casing, 52 sks, 59.3 cu ft, Fruitland, 972'-1122'.**
- Shoot squeeze holes @ 319'. Spot & squeeze Plug VIII inside/outside 4½" casing from 319' to surface w/92 sks (105.8 cu ft) Class G cement to cover the surface casing shoe. Circulate cement through BH. **Plug VIII, Inside/Outside 4½" casing, 92 sks, 105.8 cu ft, surface casing shoe, 0'-319'.**
- Cut wellhead. Tag TOC at surface. Fill cement incase needed.
- Install dry hole marker. Clean location.

Current Wellbore Schematic

Pan American Federal # 1

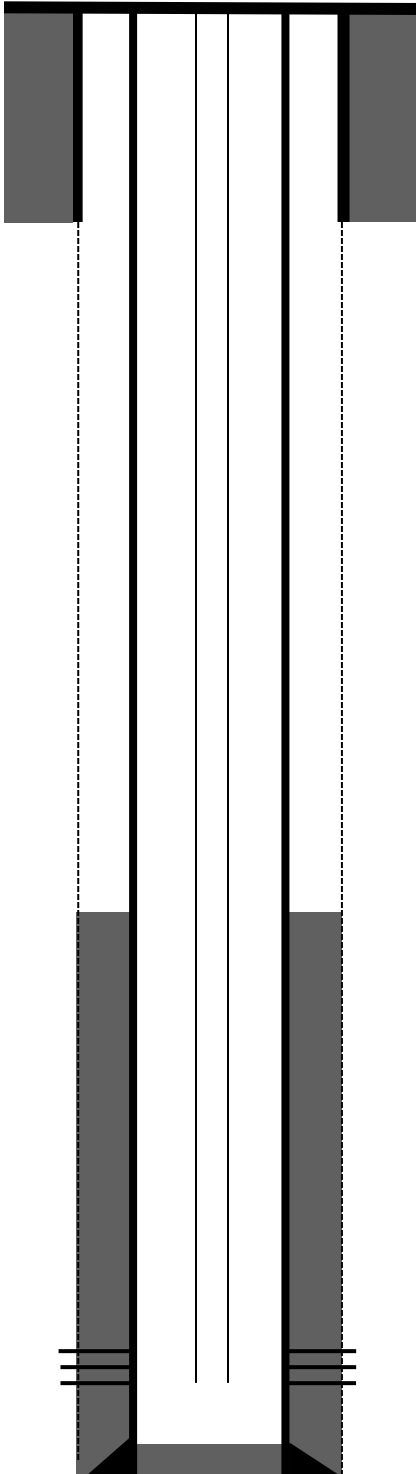
API: 30-045-09337

Unit N Sec 24 T30N R14W

1080' FSL & 1835' FWL

San Juan County, NM

Lat:36.7953911 Long:-108.2632141



8-5/8" J-55 24# casing @ 269'. Cemented with 130 sks Class B.
Circulated cement to surface. Hole size: 12-1/4

Cemented w / 150 sks Class C cement

2" EUE set @ 6177'

4 1/2" 10.5 # casing @ 6239'. PBTD @ 6198'. Hole size: 7-7/8"

Dakota Perforated @ 5968'-6182

Planned P & A Schematic

Pan American Federal # 1

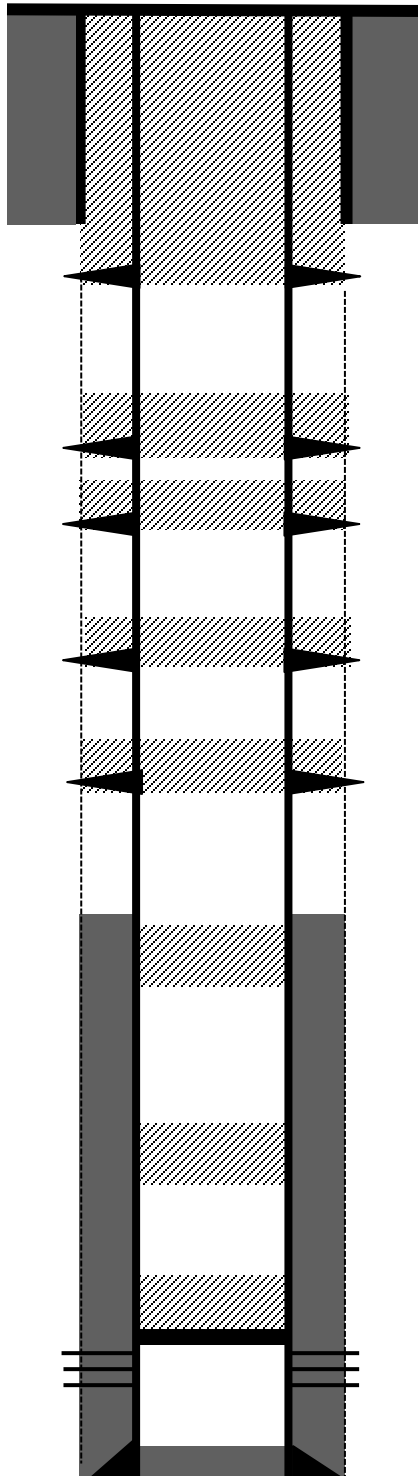
API: 30-045-09337

Unit N Sec 24 T30N R14W

1080' FSL & 1835' FWL

San Juan County, NM

Lat:36.7953911 Long:-108.2632141



8-5/8" J-55 24# casing @ 269'. Cemented with 130 sks Class B.
Circulated cement to surface. Hole size: 12-1/4

Plug VIII, Inside/Outside 4 1/2" casing, 92 sks, 105.8 Cu.ft, Surface casing shoe, 0'-319'

Plug VII, Inside/Outside 4 1/2" casing, 52 sks, 59.3 Cu.ft, Fruitland, 972'-1122'

Plug VI, Inside/Outside 4 1/2" casing, 52 sks, 59.3 Cu.ft, Pictured Cliff, 1273'-1423'

Plug V, Inside/Outside 4 1/2" casing, 52 sks, 59.3 Cu.ft, Chacra, 2250'-2400'

Plug IV, Inside/Outside 4 1/2" casing, 52 sks, 59.3 Cu.ft, Mesaverde, 2803'-2953'

Plug III, Inside 4 1/2" casing, 12 sks, 13.8 Cu.ft, Mancos, 4035'-4185'

Cemented w / 150 sks Class C cement

Plug II, Inside 4 1/2" casing, 12 sks, 13.8 Cu.ft, Gallup, 4996'-5146'

CIBP @ 5916'. Plug I, Inside 4 1/2" casing, 12 sks, 13.8 Cu.ft, Dakota, 5768'-5918'

Dakota Perforated @ 5968'-6182

4 1/2" 10.5 # casing @ 6239'. PBTD @ 6198'. Hole size: 7-7/8"

Pan American Federal # 1
API: 30-045-09337
Unit N Sec 24 T30N R14W
1080' FSL & 1835' FWL
San Juan County, NM
Lat:36.7953911 Long:-108.2632141

Elevation ASL : 5649

Formation Tops

- **Kirtland - Surface**
- **Fruitland - 1072**
- **Pictured Cliffs - 1373**
- **Lewis - 1462**
- **Chacra - 2350**
- **Mesaverde - 2903**
- **Mancos - 4135**
- **Gallup - 5096**
- **Dakota - 6094**

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

AFMSS 2 Sundry ID 2753376

Attachment to notice of Intention to Abandon

Well: Pan American Federal 1

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 10/04/2023

**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 FLUID MINERALS

P&A Geologic Report

Date Completed: 10/4/2023

Well No. Pan America Federal 001 (API 30-045-09337)	Location	SESW			
Lease No. NMSF081231B	Sec. 24	T30N			R14W
Operator Dugan Production Corporation	County	San Juan	State		New Mexico
Total Depth 6260'		Formation	Dakota		
Elevation (GL) 5649'					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/freshwater sands
Nacimiento Fm					Possible freshwater sands
Ojo Alamo Ss					Aquifer (possible freshwater)
Kirtland Shale					
Fruitland Fm	1072				Coal/Gas/Possible water
Pictured Cliffs Ss	1373				Gas
Lewis Shale	1462				
Chacra	2350				Gas
Cliff House Ss	2903				Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos Shale	4135				
Gallup	5096				O&G/Water
Greenhorn					
Graneros Shale					
Dakota Ss	6094				O&G/Water

Remarks:

P & A

Reference Well:

- No raster log data available to evaluate the formations tops. The formation tops estimated by the operator are appropriate.

Prepared by: Kenneth Rennick

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 272667

CONDITIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 272667
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	Notify NMOCD 24 hours prior to moving on.	10/10/2023