

Well Name: GALLEGOS FRTLD	Well Location: T27N / R12W / SEC 35 / NESW / 36.53108 / -108.08414	County or Parish/State: SAN JUAN / NM
Well Number: 1	Type of Well: OTHER	Allottee or Tribe Name:
Lease Number: NMNM57579	Unit or CA Name:	Unit or CA Number:
US Well Number: 300452823200S1	Operator: DUGAN PRODUCTION CORPORATION	

Notice of Intent

Sundry ID: 2813556

Type of Submission: Notice of Intent      Type of Action: Plug and Abandonment

Date Sundry Submitted: 09/24/2024      Time Sundry Submitted: 10:46

Date proposed operation will begin: 10/14/2024

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

- Gallegos\_Fruitland\_Coal\_1\_Rec\_Plan\_20240924104504.pdf
- Gallegos\_Fruitland\_Coal\_1\_proposed\_PA\_formation\_tops\_20240924104346.pdf
- Gallegos\_Fruitland\_Coal\_1\_proposed\_PA\_planned\_wellbore\_schematic\_20240924104337.pdf
- Gallegos\_Fruitland\_Coal\_1\_proposed\_PA\_current\_wellbore\_schematic\_20240924104325.pdf
- Gallegos\_Fruitland\_Coal\_1\_proposed\_PA\_planned\_work\_20240924104313.pdf

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Conditions of Approval

Additional

General\_Requirement\_PxA\_20240926101325.pdf  
2813556\_NOIA\_1\_3004528232\_KR\_09262024\_20240926101313.pdf  
Gallegos\_Fruitland\_Coal\_1\_Geo\_Rpt\_20240925142307.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 24, 2024 10:42 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: Approved	Disposition Date: 09/26/2024
Signature: Kenneth Rennick	

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

- Run 4½" casing scraper to 1240'. RIH & set 4½" CIBP @ 1225'. Fruitland Coal perforations @ 1275'-1283'. Load and circulate hole.
- Attempt to pressure test casing to 600 psi for 30 mins.
- RU Wireline and run CBL from 1225' to surface.
- Spot inside Plug I above CIBP @ 1225' w/45 sks (51.75 cu ft) Class G neat cement to 670' to cover the Fruitland top & Fruitland perforations (5 gal/sk, 15.8 #/gal, 1.15 cu ft/sk). **Plug I, inside 4½" casing, 670'-1225', Fruitland, 45 sks, 51.75 cu ft.**
- Spot inside Plug II from 390' w/32 sks Class G neat cement (36.8 cu ft) to cover Kirtland & Ojo Alamo tops and surface casing shoe to surface. **Plug II, inside 4½" casing, 0-390', Ojo Alamo-Kirtland-Surface, 32 sks, 36.8 cu ft.**
- Cut wellhead off. Fill casing w/cement in case needed.
- Install below grade plate instead of DHM due to NAPI land. Tag coordinates and verify on plate. Take photographs to be submitted to the state with GPS coordinates showing.
- Clean location. Rig down and move.

**Current Wellbore Schematic**

Gallegos Fruitland Coal #1

30-045-28232

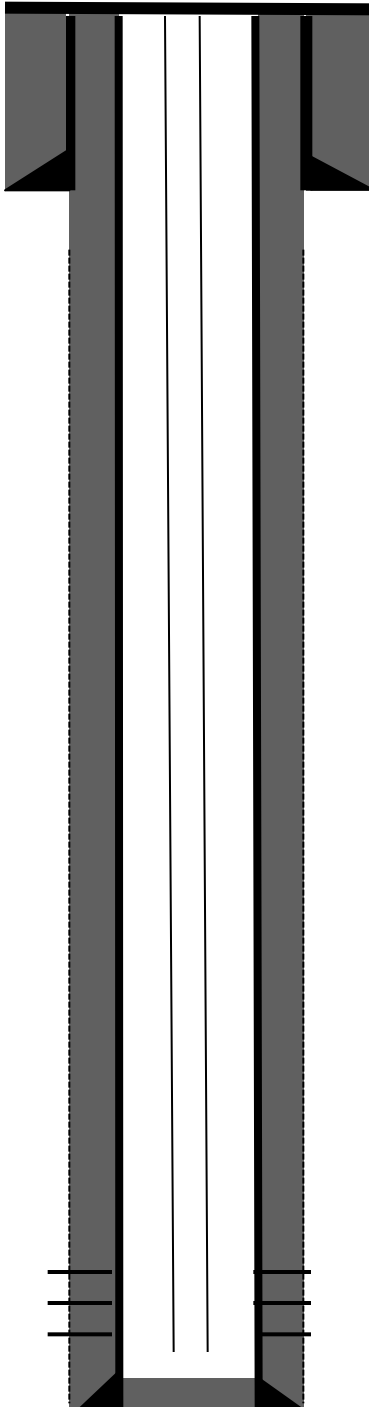
Basin Fruitland Coal

2485' FSL & 1565' FWL

S35 T27N R12W

San Juan County, NM

Lat:36.531053 Long:-108.083507



7" 20# casing @ 134'. Cemented with 60 sks, 71 Cu.ft Class B cement.  
Hole size: 8-3/4". Circulate cement to surface.

**4 1/2" 9.5# casing @ 1389'. Hole size: 6-1/4"**

Cement production casing w/ 165 sks Cement, 269.5 Cu.ft.  
Circulated cement to surface.

**2-3/8" tubing set at 1292'**

Fruitland Coal Perforated @ 1275' – 1283'

PBTD @ 1350', TD 1400'

**Planned P&A Wellbore Schematic**

Gallegos Fruitland Coal #1

30-045-28232

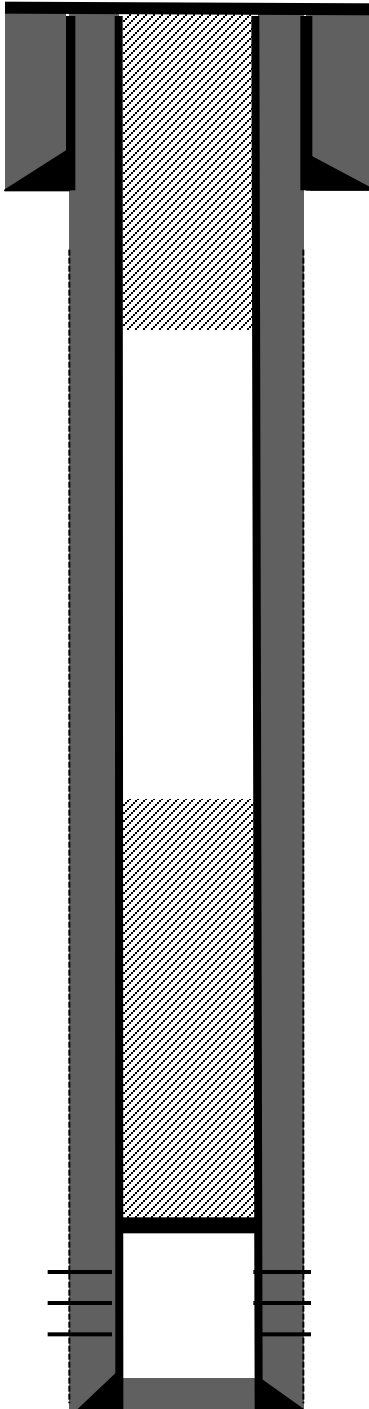
Basin Fruitland Coal

2485' FSL & 1565' FWL

S35 T27N R12W

San Juan County, NM

Lat:36.531053 Long:-108.083507



7" 20# casing @ 134'. Cemented with 60 sks, 71 Cu.ft Class B cement.  
Hole size: 8-3/4". Circulate cement to surface.

**Plug II, inside 4 1/2" casing, 0-390', Ojo Alamo-Kirtland-Surface, 32 sks, 36.8 Cu.ft.**

**4 1/2" 9.5# casing @ 1389'. Hole size: 6-1/4"**

Cement production casing w/ 165 sks Cement, 269.5 Cu.ft.  
Circulated cement to surface.

**Set 4 1/2" CIBP @ 1225'. Plug I, Inside 4 1/2" casing, 670'-1225',  
Fruitland, 45 sks, 51.75 Cu.ft.**

Fruitland Coal Perforated @ 1275' – 1283'

PBTD @ 1350', TD 1400'

Gallegos Fruitland Coal #1  
30-045-28232  
Basin Fruitland Coal  
2485' FSL & 1565' FWL  
S35 T27N R12W  
San Juan County, NM  
Lat:36.531053 Long:-108.083507

**Formation Tops**

- Ojo Alamo - Surface
- Surface Casing - 134'
- Kirtland - 340'
- Fruitland - 770'
- Pictured Cliffs - 1288'
- Perforations : 1275'-1283'

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

AFMSS 2 Sundry ID 2813556

Attachment to notice of Intention to Abandon

Well: Gallegos Fruitland 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 09/26/2024

**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 H<sub>2</sub>S.

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

9/25/2024

Well No.

Gallegos Fruitland Coal No 1

Lease No.

NMNM57579

Operator:

Dugan Production

TVD

1400

Elevation

GL

Surf. Loc.

2485 FSL

Sec

35

County

San Juan

PBTD

1351

Formation:

Basin Fruitland Coal

Elevation

Est. KB

5908

(Estimated)

FSL

1565

T27N

R12W

State

New Mexico

Geologic Formations	Est. tops	Subsea Elev.	Remarks
Ojo Alamo Ss	Surface		Fresh water aquifer
Kirtland Fm.	291	5617	
Fruitland Fm.	801	5107	Coal/gas/possible water
Pictured Cliffs	1275	4633	Possible gas/water

Remarks:

-Vertical wellbore, all formation depths are TVD from KB at the wellhead.

- Please note that the E-W 1/4-1/4 designation is incorrect in the 3160-5 Location of Well table. In the 3160-5 it is listed as 1515' while it is listed as 1565' in the OCD website, the procedure header and the photo of the well sign.

Reference Well:

Same

Prepared by: Walter Gage

**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 387310

CONDITIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 387310
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	NMOCD call on tops Kirtland 300 Fruitland 955 PC 1288 -adjust plugs to accommodate all agencies - Notify NMOCD 24 hours prior to moving on - Monitor string pressures daily report on subsequent - Submit all logs prior to subsequent	10/2/2024