eixed by OCD to Appropriate District 33	PM State of New Me	exico		Form C-103
Office <u>District I</u> – (575) 393-6161	Energy, Minerals and Natural Resources			Revised July 18, 2013
1625 N. French Dr., Hobbs, NM 88240 District II – (575) 748-1283			WELL API NO. 30-045-10776	
811 S. First St., Artesia, NM 88210	OIL CONSERVATION		5. Indicate Type of	of Lease
<u>District III</u> – (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410	1220 South St. Fran		STATE [FEE 🖂
<u>District IV</u> – (505) 476-3460	Santa Fe, NM 87	7505	6. State Oil & Ga	s Lease No.
1220 S. St. Francis Dr., Santa Fe, NM 87505				
SUNDRY NOT	ICES AND REPORTS ON WELLS		7. Lease Name or	Unit Agreement Name
	OSALS TO DRILL OR TO DEEPEN OR PLU CCATION FOR PERMIT" (FORM C-101) FC			
PROPOSALS.)		SK 50011	Cuccia Com 8. Well Number	
1. Type of Well: Oil Well	Gas Well 🗵 Other		1	
2. Name of Operator			9. OGRID Numb	er
Dugan Production Corp. 3. Address of Operator			006515 10. Pool name or	Wildoot
PO Box 420, Farmington, NM 87	499-0420		Basin Dakota (715	
4. Well Location			Busin Bune in (716	
	feet from the North line and	1600 feet from th	ne East line	
Section 14	Township 31N Range	13W NMP		County
Sevien 11	11. Elevation (Show whether DR,			
	5723'			
PULL OR ALTER CASING DOWNHOLE COMMINGLE CLOSED-LOOP SYSTEM	MULTIPLE COMPL	CASING/CEMEN	1 306	
OTHER:	eted operations. (Clearly state all pe	OTHER:		<u> </u>
proposed completion or reco	rk). SEE RULE 19.15.7.14 NMAC. ompletion. on to bleed surface pressure off and c	•	•	-
spud Date:	Rig Release Date			
	above is true and complete to the bes			
IGNATURE <u>X/liph Reen</u>	TITLE Enginee	ering Supervisor	DATI	E6/5/25
Type or print name <u>Aliph Reena, P.</u> For State Use Only	E. E-mail address: <u>alip</u>	oh.reena@duganpro	duction.com_ PHO	NE: <u>505-325-1821</u>
APPROVED BY:	TITLE		DAT	E
APPROVED BY: Conditions of Approval (if any):				

- During the P&A of the Cuccia Com #1 (05/20/2025-06/04/2025), after completing the surface plug and shutting down overnight, the BH started building pressure. BH built up to 90 psi the following day. After notifying NMOCD, NMOCD required the operator to drill out the Surface, Ojo Alamo & Kirtland plugs and re-run a CBL. Once cement tops are verified from CBL, NMOCD also required operator to perforate Kirtland formation with additional squeeze holes, and re-attempt to get any rate in through the new perforations, to squeeze cement behind casing to cover the Kirtland top (570'). Previous attempt to get a rate through Kirtland was not successful. Casing was perforated at 620' for Kirtland & 318' for surface but couldn't get a rate during the initial attempt.
- Operator drilled out good cement from the surface, 0' to 670' and cleaned out hole to 750'. Re-ran CBL from 1150' to surface. Sent copy of CBL to NMOCD. From the CBL there was good cement from 0-322' & no cement behind casing from 332' to 1150'. No other formation tops are present in that depth between 322' to 1150' except Kirtland top (570'). Fruitland top is at 1410' for reference.
- Shot squeeze holes at 630' & 550'. Set a 4½" cement retainer at 600'. Established rates through squeeze holes below the retainer and spotted an inside/outside plug for Kirtland from 630' to 505'. Tagged and verified cement top.
- Post tagging and verifying on 06/04/2025, we are still having a small amount of pressure build up inside the 4½" casing & bradenhead. Casing built up 30 psi, and BH built up 2 psi overnight. We bled the pressure off and monitored pressure build up for 2 hours. Casing built up 9 psi & BH 2 psi in the 2 hr shut in period.
- Operator requests NMOCD to rig down Aztec Well Services Rig 450 and cement equipment. Operator will bleed off the pressure into the lines and will monitor pressures for the next 2-3 weeks. Once the pressure is eliminated, we will move the P&A rig back in and will complete the P&A. Will fill up casing from 505' to surface inside 4½" casing and will cut wellhead off. Will tag and verify.
- A complete post P&A report, including further details of the job, is attached to this email for reference, and we will also submit the same on a Post P&A Subsequent Sundry Report for records as P&A completed to date.

Operator requests permission to complete the P&A on a future date as requested. Will notify NMOCD 24 hrs before moving in. Will cover Kirtland, Ojo Alamo & surface casing shoe inside 4½" casing from 505' to surface. Will WOC minimum 4 hrs, cut wellhead off and will tag and verify. Operator will monitor pressures every 3 days at the minimum and will monitor pressure build up. Will report pressures on the final Post P&A sundry report.

Dugan production corp. completed the following P & A Procedure on Cuccia Com # 1 from 05/20/2025 to 06/03/2025.

The surface plug inside the $4\frac{1}{2}$ " casing has not been spotted as of 06/04/2025. We are attempting to remove the gas seepage inside the BH & inside the $4\frac{1}{2}$ " casing by bleeding the well down over a period of time. Once the pressure is bled down, and no more gas build up is observed, we will move the P & A rig back to location and fill up the inside of $4\frac{1}{2}$ " casing from 505' and will cut the well head off. Will complete the P & A and a separate sundry will be submitted regarding.

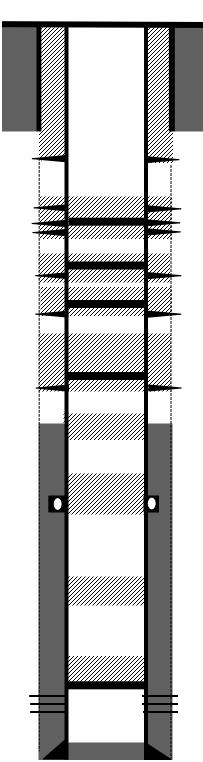
- MI & RU Aztec Rig 450 and cement equipment. MI & Spot equipment.
- 05/20/2025 Check pressures: Tubing 90 psi, Casing 5 psi, & BH 15 psi. Bleed down.
- NU BOP & LD all production tubing.
- 05/21/2025 Check pressures: Tubing 150 psi, Casing 150 psi, BH 20 psi.
- PU & Tally 2-3/8" workstring. Run 4 ½" string mill for casing scrapper to 6535'.
- **RIH & Set 4 ½" CIBP @ 6496**'. Dakota perforations are from 6546'-6660'.
- Ran CBL from 6496' to surface. Sent copy of CBL & revised procedure to NMOCD.
- Attempt to pressure test casing to 650 psi, casing wont test. Had injection rate of 1 bpm at 500 psi.
- Plug I: Spot Plug I inside 4 ½" casing above the CIBP from 6496' w/ 18 sks, 20.7 Cu.ft Class G neat cement to cover the Dakota perforations and Graneros top. Displaced w/ 23.7 bbls water. WOC overnight. Tagged TOC at 6340'. Good tag. Plug I, Inside 4 ½" casing, 18 sks, 20.7 Cu.ft, Dakota Perforations-Graneros, 6340'-6496'.
- Check pressures 05/22/2025: Tubing 0 psi, Casing 0 psi, BH 16 psi.
- **Plug II:** Spot plug II inside 4 ½" casing from 5748' w/ 18 sks, 20.7 Cu.ft Class G cement to to cover the Gallup top. Displaced w/ 20.8 bbls water. WOC 4 hrs. Tagged TOC at 5568'. Good tag. **Plug II, Inside 4** ½" **casing, 18 sks, 20.7 Cu.ft, Gallup, 5568'-5748'**
- **Plug III:** Spot plug III inside 4 ½" casing from 4798' to w/ 24 sks, 27.6 Cu.ft Class G cement to cover the DV tool & Mancos top. Displaced w/ 16.8 bbls water. WOC 4 hrs. Tagged TOC at 4570'. Good tag. **Plug III, Inside 4** ½" **casing, 24 sks, 27.6 Cu.ft, Mancos-DV, 4570'-4798'**
- **Plug IV:** Spot Plug IV inside 4 ½" casing from 3632' w/ 18 sks, 20.7 Cu.ft Class G neat cement to cover the Mesaverde top. Displaced w/ 12.6 bbls water. WOC overnight. Tagged TOC at 3450'. **Plug IV, Inside 4** ½" **casing, 18 sks, 20.7 Cu.ft, Mesaverde, 3450'-3632'.**
- Check pressures 05/23/2025: Tubing 0 psi, Casing 0 psi, BH 13 psi.
- Attempt to pressure test casing to 650 psi. Casing tested good for 30 minutes. Test passed.
- Plug V: RU WL & Shoot squeeze holes at 3072'. RIH and set cement retainer at 3021'. Sting in and establish rates through the squeeze holes. Swap to cement. Squeeze Plug V inside/Outside 4½" casing from 3072' w/ 121 sks, 139.15 Cu.ft Class G cement to cover the Upper Chacra & Lower Chacra tops. 96 sks 110.4 Cu.ft outside 4½" casing, 5 sks 5.75 Cu.ft below the CR, and 15 sks 17.25 Cu.ft above the CR inside 4½" casing. Displaced w/ 10.6 bbls water. WOC 4 hrs. Tagged TOC at 2758'. Good tag. Plug V, Inside/Outside 4½" casing, Perforations at 3072', Retainer at 3021', 121 sks, 139.15 Cu.ft, Upper Chacra-Lower Chacra, 2758'-3072'

- **Plug VI:** RU WL & Shoot squeeze holes at 2026'. RIH and set cement retainer at 1968'. Sting in and establish rates through the squeeze holes. Swap to cement. Squeeze Plug VI inside/outside 4 ½" casing from 2026' w/ 61 sks, 70.15 Cu.ft Class G cement to cover the Pictured Cliffs top. 41 sks 47.15 Cu.ft outside 4 ½" casing, 5 sks 5.75 Cu.ft below the CR, and 15 sks 17.25 Cu.ft above the CR inside 4 ½" casing. Displaced w/ 6.8 bbls water. WOC overnight. Tagged TOC at 1750'. Good tag. **Plug VI, Inside/Outside 4** ½" **casing, Perforations at 2026', Retainer at 1968', 61 sks, 70.15 Cu.ft, Pictured Cliffs, 1750'-2026'**
- 05/27/2025 Check Pressures, Tubing 0 psi, Casing 0 psi, BH 0 psi.
- **Plug VII:** RU WL & Shoot squeeze holes at 1460'. RIH and set cement retainer at 1416'. Sting in and establish rates through the squeeze holes. Swap to cement. Squeeze Plug VII inside/outside 4 ½" casing from 1460' w/ 61 sks, 70.15 Cu.ft Class G cement to cover the Fruitland top. 41 sks 47.15 Cu.ft outside 4 ½" casing, 4 sks 4.6 Cu.ft below the CR, and 15 sks 17.25 Cu.ft above the CR inside 4 ½" casing. Displaced w/ 4.7 bbls water. WOC 4 hrs. Tagged TOC at 1215'. Good tag. **Plug VII, Inside/Outside 4** ½" **casing, Perforations at 1460', Retainer at 1416', 61 sks, 70.15 Cu.ft, Fruitland, 1215'-1460'**
- **Plug VIII:** RU WL & Shoot squeeze holes at 620'. Attempt to get a rate through the squeeze holes. Cannot get a rate. Locked up to 800 psi. Requested to do inside plug for Kirtland. Spot Plug VIII, Inside 4 ½" casing from 670' w/ 24 sks, 27.6 Cu.ft Class G neat cement to cover the Kirtland top. Displaced w/ 1.4 bbls water. WOC overnight. Tagged TOC at 374'. Good tag. **Plug VIII, Inside 4** ½" **casing, Perforations at 620', 24 sks, 27.6 Cu.ft, Kirtland, 374'-670'.**
- 05/28/2025 Check pressures, Tubing 0 psi, Casing 0 psi, BH 0 psi.
- **Plug IX:** RU WL & Shoot squeeze holes at 318'. Attempt to get a rate through the squeeze holes. Cannot get a rate. Locked up to 800 psi. RU WL & Shoot squeeze holes at 200'. Establish circulation to surface through BH. Swap to cement. Squeeze Plug IX inside/outside 4 ½" casing from 318' w/ 155 sks, 178.25 Cu.ft Class G cement to cover the Ojo Alamo top & Surface casing shoe. Circulated cement to surface through BH. No displacement. WOC overnight.
- 05/29/2025: Check pressures, Casing 0 psi, BH 90 psi.
- Notified NMOCD of the Pressure build up inside the BH. Decided to drill Surface, Ojo Alamo & Kirtland plugs out. Re-run CBL and shoot and attempt to squeeze again.
- Started drilling out cement. Drilled out cement to 270' on Day 1.
- 05/30/2025: Check Pressures, Casing 0 psi, BH 10 psi.
- Continue drilling out cement. Drill out cement to 570' on Day 2.
- 06/02/2025: Check Pressures, Casing 0 psi, BH 120 psi.
- Continue drilling out cement. Drill out to the bottom of cement at 670'.
- Clean casing to 750' inside 4 ½" casing to make sure casing is clean. Circulate hole clean.
- 06/03/3035: Check Pressures, Casing 40 psi, BH 10 psi.
- RU WL & Run CBL from 1150' to surface. Sent copy to NMOCD.
- Good cement from CBL from surface to 322'. No Cement from 322' to 1150'. Kirtland is the only formation top from 322' to 1150'.

- RU WL & Shoot squeeze holes at 630'. Squeeze holes from previous attempt at 620'. RIH w/ cement retainer and set cement retainer at 600'. RIH w/ wireline and shoot squeeze holes at 550'. RIH w/ 2-3/8" tubing for workstring and sting inside 4 ½" cement retainer. Attempt to establish circulation around the retainer through perforations above (550') and below (630'). Establish rates through squeeze holes and circulating through casing above the retainer. Swap to cement. Squeeze 43 sks, 49.25 Cu.ft cement below the retainer (40 sks outside casing, 3 sks below). Sting out of the retainer and spot 12 sks cement above the cement retainer. Displaced w/ 1.7 bbls water. Reverse out from 450'. Reverse out hole clean. TOOH and LD all tubing. SDFN.
- 06/04/2025 Check pressures: Casing 30 psi, BH 2 psi.
- Tagged TOC w/ tubing at 505'. Cement fell 55'.
- Notified NMOCD. Decided to shut down and monitor pressure.
- Casing build up 9 psi, & BH build up 2 psi in 2 hrs.
- Requested permission from NMOCD to Rig down and NU wellhead. Put lines back up to the tank. Monitor well pressures, bleed off any gas build up. Will monitor Casing & BH and will bleed off any pressure or fluid build up into the gas lines.
- The gas being bled off is too small to measure at these volumes. Will blow down in less than 5 seconds.
- Dugan Production Corp. request permission to bleed the well to the sales line till the pressure build up is eliminated. Once the pressure/gas is eliminated from the surface, the P & A Rig and cement equipment will be moved back and will fill up the casing from 505' to surface and will cut wellhead off and tag TOC to verify.
- Given the circumstance, Operator request permission to move the Rig off location, monitor pressures, bleed off gas pressure into the sales line, and complete the P & A once the pressure has been eliminated. Will cover Kirtland & Surface casing shoe inside 4 ½" casing and will notify NMOCD before moving in.

Cuccia Com # 1 API: 30-045-10776 Sec 14 T31N R13W 1450' FNL & 1600' FEL San Juan County, NM

Lat: 36.90333 Long: -108.169640



8-5/8" J-55 24# casing @ 257'. Cemented with 150 sks Cement.

Plug IX: Cement has been squeezed from 318' to surface behind casing. Circulated cement through BH.

Will cement from 505' to surface inside 4 ½" casing once the pressure has been eliminated.

Plug VIII: Cement has been squeezed from 630' to 550' (40 sks outside) & to 505' inside (tagged and verified).
Casing has been perforated at 550', 620' & 630'

Plug VII, Inside/Outside 4 ½" casing, Perforations at 1460', Retainer at 1416', 61 sks, 70.15 Cu.ft, Fruitland, 1215'-1460'

Plug VI, Inside/Outside 4 ½" casing, Perforations at 2026', Retainer at 1968', 61 sks, 70.15 Cu.ft, Pictured Cliffs, 1750'-2026'

Plug V, Inside/Outside 4 ½" casing, Perforations at 3072', Retainer at 3021', 121 sks, 139.15 Cu.ft, Upper Chacra-Lower Chacra, 2758'-3072'

Plug IV, Inside 4 ½" casing, 18 sks, 20.7 Cu.ft, Mesaverde, 3450'-3632'.

Plug III, Inside 4 $\frac{1}{2}$ " casing, 24 sks, 27.6 Cu.ft, Mancos-DV, 4570'-4798'

Cemented Stage I w/ 300 sks, Cement. **DV tool @ 4748**'. Stage II w/ 200 sks pozment. Will run CBL to determine TOC behind casing

Plug II, Inside 4 1/2" casing, 18 sks, 20.7 Cu.ft, Gallup, 5568'-5748'

Plug I, Inside 4 ½" casing, 18 sks, 20.7 Cu.ft, Dakota Perforations-Graneros, 6340'-6496'.

Dakota Perforated @ 6546'-6660'

4 ½" 10.5 # casing @ 6746', Hole size 7-7/8"

Cuccia Com # 1

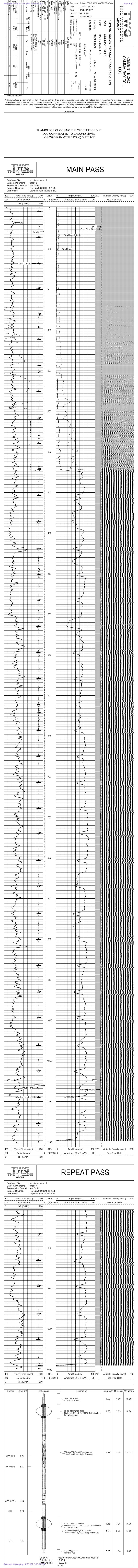
API: 30-045-10776 Sec 14 T31N R13W 1450' FNL & 1600' FEL San Juan County, NM

Lat: 36.90333 Long: -108.169640

Elevation ASL: 5723' GL

Formation Tops (Referenced for P & A)

- Surface Casing 261'
- Ojo Alamo 268'
- Kirtland 570'
- Fruitland 1410'
- Pictured Cliffs 1976'
- Lewis 2110'
- Chacra Upper-2930'
- Chacra Lower 3020'
- Mesaverde 3582'
- Mancos 4680'
- DV tool 4748'
- Gallup 5698'
- Greenhorn 6413'
- Graneros 6480'
- Dakota 6533'
- Dakota perforations 6546'-6660'



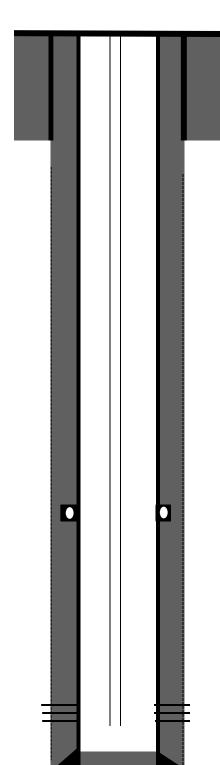
ceived by OCD; 6/5/2025 12:48:3341	State of New Mexico		Form C-103
Office <u>District I</u> – (575) 393-6161	Energy, Minerals and Natural R	esources	Revised July 18, 2013
1625 N. French Dr., Hobbs, NM 88240		WELL A	
<u>District II</u> – (575) 748-1283 811 S. First St., Artesia, NM 88210	OIL CONSERVATION DIV	$\begin{array}{c} \text{ISION} & 30-045-1 \\ \hline & \text{Indice} \end{array}$	ate Type of Lease
<u>District III</u> – (505) 334-6178	1220 South St. Francis		TATE FEE
1000 Rio Brazos Rd., Aztec, NM 87410 District IV – (505) 476-3460	Santa Fe, NM 87505		Oil & Gas Lease No.
1220 S. St. Francis Dr., Santa Fe, NM			
87505 SUNDRY NOTI	CES AND REPORTS ON WELLS	7 Lease	Name or Unit Agreement Name
(DO NOT USE THIS FORM FOR PROPOS	SALS TO DRILL OR TO DEEPEN OR PLUG BA	CK TO A	Trume of Ome rigreement rume
DIFFERENT RESERVOIR. USE "APPLIC PROPOSALS.)	CATION FOR PERMIT" (FORM C-101) FOR SU	Cuccia C	Com
	Gas Well Other	8. Well	Number
		1	ID N 1
2. Name of Operator Dugan Production Corp.		9. OGR 006515	ID Number
3. Address of Operator			I name or Wildcat
PO Box 420, Farmington, NM 874	99-0420		akota (71599)
4. Well Location			
	feet from the <u>North</u> line and <u>1600</u>	feet from the East	line
Section 14	Township 31N Range 13'		
Section 1.	11. Elevation (Show whether DR, RKE		
	5723' GL	, ,	
of starting any proposed wor proposed completion or reco	otted operations. (Clearly state all pertine k). SEE RULE 19.15.7.14 NMAC. For	Multiple Completions: A	
pud Date:	Rig Release Date:		
	bove is true and complete to the best of r		
DIGNATURE XYEGOTO POLICE	TITLE Engineering	Supervisor	DATE <u>4/2/25</u>
Type or print name <u>Aliph Reena, P.F.</u> For State Use Only	E. E-mail address: _aliph.ree	na@duganproduction.co	m_ PHONE: _505-325-1821
APPROVED BY:	TITLE		DATE
Conditions of Approval (if any):			

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

- PU & tally 2-3/8" workstring. Run 4½" casing scraper to 6510'. **RIH & set 4½" CIBP @ 6496**'. Dakota perforations are from 6546'-6660'. Run CBL from 6496' to surface. All plugs are designed assuming good cement behind 4½" casing for this NOI. Will make necessary changes to the plugs after reviewing the CBL.
- Plug I: Spot Plug I inside 4½" casing above the CIBP from 6496' to 6346' w/12 sks, 13.8 cu ft Class G neat cement to cover the Dakota perforations and Graneros top. Plug I, Inside 4½" casing, 12 sks, 13.8 cu ft, Dakota Perforations-Graneros, 6346'6496'.
- **Plug II:** Spot Plug II inside 4½" casing from 5748' w/12 sks (13.8 cu ft) Class G cement to 5598' to cover the Gallup top. **Plug II, Inside 4½" casing, 12 sks, 13.8 cu ft, Gallup, 5598'-5748'.**
- Plug III: Spot Plug III inside 4½" casing from 4798' to 4580' w/18 sks (20.7 cu ft) Class G cement to cover the DV tool & Mancos top. Plug III, Inside 4½" casing, 18 sks, 20.7 cu ft, Mancos-DV, 4580'-4798'.
- Plug IV: Spot Plug IV inside 4½" casing from 3632' to 3482' w/12 sks, 13.8 cu ft Class G neat cement to cover the Mesaverde top. Plug IV, Inside 4½" casing, 12 sks, 13.8 cu ft, Mesaverde, 3482'-3632'.
- Plug V: Spot Plug V inside 4½" casing from 3070' to 2830' w/20 sks, 23 cu ft Class G cement to cover the Upper Chacra & Lower Chacra tops. Plug V, Inside 4½" casing, 20 sks, 23 cu ft, Upper Chacra-Lower Chacra, 2830'-3070'.
- Plug VI: Spot Plug VI inside 4½" casing from 1976' to 1410' w/56 sks, 64.4 cu ft Class G cement to cover the Fruitland-Pictured Cliffs tops. Plug VI, Inside 4½" casing, 56 sks, 64.4 cu ft, Fruitland-Pictured Cliffs, 1310'-2026'.
- **Plug VII:** Spot Plug VII inside 4½" casing from 620' to surface w/50 sks, 57.5 cu ft to cover the Kirtland-Ojo Alamo-Surface casing shoe to surface. **Plug VII, Inside 4½" casing, 50 sks, 57.5** cu ft, Kirtland-Ojo Alamo-Surface casing shoe, 0-620'.
- Cut wellhead. Tag TOC at surface. Fill cement in case needed.
- Install dry hole marker. Clean location.

Current Wellbore Schematic

Cuccia Com #1
API: 30-045-10776
Sec 14 T31N R13W
1450' FNL & 1600' FEL
San Juan County, NM
Lat: 36.90333 Long: -108.169640



8-5/8" J-55 24# casing @ 257'. Cemented with 150 sks Cement.

Cemented Stage I w/ 300 sks, Cement. DV tool @ 4748'. Stage II w/ 200 sks pozment. Will run CBL to determine TOC behind casing

2-3/8" J-55 tubing ran to 6573'

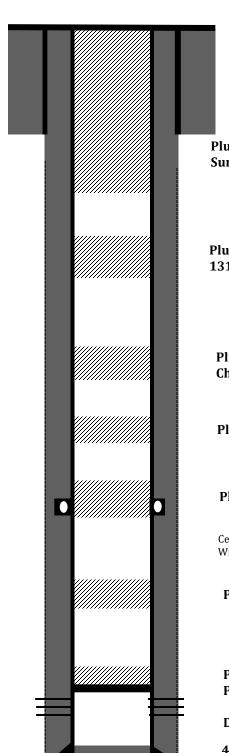
Dakota Perforated @ 6546'-6660'

4 1/2" 10.5 # casing @ 6746', Hole size 7-7/8"

Planned P & A Schematic

Cuccia Com #1 API: 30-045-10776 Sec 14 T31N R13W 1450' FNL & 1600' FEL San Juan County, NM

Lat: 36.90333 Long: -108.169640



8-5/8" J-55 24# casing @ 257'. Cemented with 150 sks Cement.

Plug VII, Inside 4 $1\!\!\!/2$ " casing, 50 sks, 57.5 Cu.ft, Kirtland-Ojo Alamo-Surface casing shoe, 0-620'

Plug VI, Inside 4 $\frac{1}{2}$ " casing, 56 sks, 64.4 Cu.ft, Fruitland-Pictured Cliffs, 1310'-2026'

Plug V, Inside 4 $\frac{1}{2}$ " casing, 20 sks, 23 Cu.ft, Upper Chacra-Lower Chacra, 2830'-3070'

Plug IV, Inside 4 1/2" casing, 12 sks, 13.8 Cu.ft, Mesaverde, 3482'-3632'

Plug III, Inside 4 ½" casing, 18 sks, 20.7 Cu.ft, Mancos-DV, 4580'-4798'

Cemented Stage I w/ 300 sks, Cement. **DV tool @ 4748**'. Stage II w/ 200 sks pozment. Will run CBL to determine TOC behind casing

Plug II, Inside 4 ½" casing, 12 sks, 13.8 Cu.ft, Gallup, 5598'-5748'

Plug I, Inside 4 ½" casing, 12 sks, 13.8 Cu.ft, Dakota Perforations-Graneros, 6346'-6496'

Dakota Perforated @ 6546'-6660'

4 ½" 10.5 # casing @ 6746', Hole size 7-7/8"

Cuccia Com #1

API: 30-045-10776 Sec 14 T31N R13W 1450' FNL & 1600' FEL San Juan County, NM

Lat: 36.90333 Long: -108.169640

Elevation ASL: 5723' GL

Formation Tops

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- Chacra Lower 3020'
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- Mancos 4680'
- DV tool 4748'
- Gallup 5698'
- Greenhorn 6413'
- Graneros 6480'
- Dakota 6533'
- Dakota perforations 6546'-6660'

State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division Standard Plugging Conditions



This document provides OCD's general plugging conditions of approval. It should be noted that the list below may not cover special plugging programs in unique and unusual cases, and OCD expressly reserves the right to impose additional requirements to the extent dictated by project conditions. The OCD also reserves the right to approve deviations from the below conditions if field conditions warrant a change. A C-103F NOI to P&A must be approved prior to plugging operations. Failure to comply with the conditions attached to a plugging approval may result in a violation of 19.15.5.11 NMAC, which may result in enforcement actions, including but not limited to penalties and a requirement that the well be re-plugged as necessary.

- 1. Notify OCD office at least 24 hours before beginning work and seek prior approval to implementing any changes to the C-103 NOI to PA.
 - North Contact, Monica Kuehling, 505-320-0243, monica.kuehling@emnrd.nm.gov
 - South Contact, Gilbert Cordero, 575-626-0830, gilbert.cordero@emnrd.nm.gov
- A Cement Bond Log is required to ensure strata isolation of producing formations, protection of
 water and correlative rights. A CBL must be run or be on file that can be used to properly
 evaluate the cement behind the casing.

Note: Logs must be submitted to OCD via OCD permitting. A copy of the log may be emailed to OCD inspector for faster review times, but emailing does not relieve the operators obligation to submit through OCD permitting.

- 3. Once Plugging operations have commenced, the rig must not rig down until the well is fully plugged without OCD approval. If gap in plugging operations exceeds 30 days, the Operator must file a subsequent sundry of work performed and revised NOI for approval on work remaining. At no time shall the rig be removed from location if it will result in waste or contamination of fresh water.
- 4. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.
- 5. Fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
 - North, water or mud laden fluids
 - South, mud laden fluids
- 6. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to an OCD permitted disposal facility.
- 7. Class of cement shall be used in accordance with the below table for depth allowed.

Class	TVD Lower Limit (feet)
Class A/B	6,000
Class I/II	6,000
Class C or III	6,000
Class G and H	8,000
Class D	10,000

Class E	14,000
Class F	16,000

- 8. After cutting the well head any "top off cement jobs" must remain static for 30 minutes. Any gas bubbles or flow during this 30 minutes shall be reported to the OCD for approval of next steps.
- 9. Trucking companies being used to haul oilfield waste fluids (Commercial or Private) to a disposal facility shall have an approved OCD C-133 permit.
 - A copy of this permit shall be available in each truck used to haul waste products.
 - It is the responsibility of the Operator and Contractor to verify that this permit is in place prior to performing work.
 - Drivers shall be able to produce a copy upon request of an OCD Compliance Officer.
- 10. Filing a [C-103] Sub. Plugging (C-103P) will serve as notification that the well has been plugged.
- 11. A [C-103] Sub. Release After P&A (C-103Q) shall be filed no later than a year after plugging and a site inspection by OCD Compliance officer to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to meet OCD standards before bonding can be released.
- 12. Produced water or brine-based fluids may not be used during any part of plugging operations without prior OCD approval.

13. Cementing;

- All cement plugs will be neat cement and a minimum of 100' in length. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.
- If cement does not exist between or behind the casing strings at recommended formation depths, the casing perforations will be shot at 50' below the formation top and the cement retainer shall be set no more than 50' from the perforations.
- WOC (Wait on Cement) time will be:
 - o 4 hours for accelerated (calcium chloride) cement.
 - o 6 hours on regular cement.
- Operator must tag all cement plugs unless it meets the below condition.
 - The operator has a passing pressure test for the casing annulus and the plug is only an inside plug.
- If perforations are made operator must tag all plugs using the work string to tag unless given approval to tag with wireline by the correct contact from COA #1 of this document.
 - This includes plugs pumped underneath a cement retainer to ensure retainer seats properly after cement is pumped.
- Cement can only be bull-headed with specific prior approval.
- Squeeze pressures are not to exceed the exposed formations frac gradient or the burst pressure of the casing.
- 14. A cement plug is required to be set from 50' below to 50' above (straddling) formation tops, casing shoes, casing stubs, any attempted casing cut offs, anywhere the casing is perforated, DV tools.
 - Perforation/Formation top plug. (When there is less than 100ft between the top perforation to the formation top.) These plugs are required to be started no greater than

- 50ft from the top perforation. However, the plug should be set below the formation top or as close to the formation top as possible for the maximum isolation between the formations. The plug is required to be a 100ft cement plug plus excess.
- Perforation Plug when a formation top is not included. These plugs are required to be started within 50ft of the top perforation. The plug is required to be a 100ft cement plug plus excess.
- Cement caps on top of bridge plugs or cement retainers for perforation plugs, that are
 not straddling a formation top, may be set using a bailer with a minimum of 35' of
 cement in lieu of the 100' plug. The bridge plug or retainer must be set within 50ft of the
 perforations.
- Perforations are required below the surface casing shoe if cement does not exist behind
 the casing, a 30-minute minimum wait time will be required immediately after
 perforating 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. If gas is
 detected contact the OCD office for directions.
- 15. No more than 3000 feet is allowed between cement plugs in cased hole and no more than 2000 feet is allowed in open hole.
- 16. Formation Tops to be isolated with cement plugs, but not limited to are:
 - Northwest See Figure A
 - South (Artesia) See Figure B
 - Potash See Figure C
 - o In the R-111-P (Or as subsequently revised) Area a solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, woe 4 hours and tag, this plug will be 50' below the bottom and 50' above the top of the Formation.
 - South (Hobbs) See Figure D1 and D2
 - Areas not provided above will need to be reviewed with the OCD on a case by case basis.

17. Markers

• Dry hole marker requirements 19.15.25.10.

The operator shall mark the exact location of plugged and abandoned wells with a steel marker not less than four inches in diameter set in cement and extending at least four feet above mean ground level. The marker must include the below information:

- 1. Operator name
- 2. Lease name and well number
- 3. API number
- 4. Unit letter
- 5. Section, Township and Range
- AGRICULTURE (Below grade markers)

In Agricultural areas a request can be made for a below ground marker. For a below ground marker the operator must file their request on a C-103 notice of intent, and it must include the following;

- A) Aerial photo showing the agricultural area
- B) Request from the landowner for the below ground marker.

C) Subsequent plugging report for a well using a below ground marker must have an updated C-102 signed by a certified surveyor for SHL.

Note: A below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to OCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to OCD. OCD requires a current survey to verify the location of the below ground marker, however OCD will accept a GPS coordinate that were taken with a GPS that has an accuracy of within 15 feet.

18. If work has not commenced within 1 year of the approval of this procedure, the approval is automatically expired. After 1 year a new [C-103] NOI Plugging (C-103F) must be submitted and approved prior to work.

Figure A

North Formations to be isolated with cement plugs are:

- San Jose
- Nacimiento
- Ojo Alamo
- Kirtland
- Fruitland
- Picture Cliffs
- Chacra (if below the Chacra Line)
- Mesa Verde Group
- Mancos
- Gallup
- Basin Dakota (plugged at the top of the Graneros)
- Deeper formations will be reviewed on a case-by-case basis

Figure B

South (Artesia) Formations to be isolated with cement plugs are:

- Fusselman
- Montoya
- Devonian
- Morrow
- Strawn
- Atoka
- Permo-Penn
- Wolfcamp
- Bone Springs
- Delaware, in certain areas where the Delaware is subdivided into;
 - 1. Bell Canyon
 - 2. Cherry Canyon
 - 3. Brushy Canyon
- Any salt sections
- Abo
- Yeso
- Glorieta
- San Andres
- Greyburg
- Queen
- Yates

Figure C

Potash Area R-111-P

T 18S - R 30E

Sec 10 Unit P. Sec 11 Unit M,N. Sec 13 Unit L,M,N. Sec 14 Unit C -P. Sec 15 Unit A G,H,I,J,K,N,O,P. Sec 22 Unit All

except for M. Sec 23, Sec 24 Unit C,D,E,L, Sec 26 Unit A-G, Sec 27 Unit A,B,C

T 19S - R 29E

Sec 11 Unit P. Sec 12 Unit H-P. Sec 13. Sec 14 Unit A,B,F-P. Sec 15 Unit P. Sec 22 Unit A,B,C,F,G,H,I,J K,N,O,P. Sec 23.

Sec 24. Sec 25 Unit D. Sec 26 Unit A- F. Sec 27 Unit A,B,C,F,G,H.

T 19S - R 30E

Sec 2 Unit K,L,M,N. Sec 3 Unit I,L,M,N,O,P. Sec 4 Unit C,D,E,F,G,I-P. Sec 5 Unit A,B,C,E-P. Sec 6 Unit I,O,P. Sec 7 – Sec

10. Sec 11 Unit D, G—P. Sec 12 Unit A,B,E-P. Sec 13 Unit A-O. Sec 14-Sec 18. Sec 19 Unit A-L, P. Sec 20 – Sec 23. Sec

24 Unit C,D,E,F,L,M,N. Sec 25 Unit D. Sec 26 Unit A-G, I-P. Sec 27, Sec 28, Sec 29 Unit A,B,C,D,F,G,H,I,J,O,P. Sec 32

Unit A,B,G,H,I,J,N,O,P. Sec 33. Sec 34. Sec 35. Sec 36 Unit D,E,F,I-P.

T 19S - R 31E

Sec 7 Unit C,D,E,F,L. Sec 18 Unit C,D,E,F,G,K,L. Sec 31 Unit M. Sec 34 Unit P. Sec 35 Unit M,N,O. Sec 36 Unit O.P.

T 20S - R 29E

Sec 1 Unit H,I,P. Sec 13 Unit E,L,M,N. Sec 14 Unit B-P. Sec 15 Unit A,H,I,J,N,O,P. Sec 22 Unit A,B,C,F,G,H,I,J,O,P. Sec

23. Sec 24 Unit C,D,E,F,G,J-P. Sec 25 Unit A-O. Sec 26. Sec 27 Unit A,B,G,H,I,J,O,P. Sec 34 Unit A,B,G,H. Sec 35 Unit

A-H. Sec 36 Unit B-G.

T 20S – R 30E

Sec 1 – Sec 4. Sec 5 Unit A,B,C,E-P. Sec 6 Unit E,G-P. Sec 7 Unit A-H,I,J,O,P. Sec 8 – 17. Sec 18 Unit A,B,G,H,I,J,O,P.

Sec 19 Unit A,B,G,H,I,J,O,P. Sec 20 – 29. Sec 30 Unit A-L,N,O,P. Sec 31 Unit A,B,G,H,I,P. Sec 32 – Sec 36.

T 20S - R 31E

Sec 1 Unit A,B,C,E-P. Sec 2. Sec 3 Unit A,B,G,H,I,J,O,P. Sec 6 Unit D,E,F,J-P. Sec 7. Sec 8 Unit E-P. Sec 9 Unit E,F,J-P.

Sec 10 Unit A,B,G-P. Sec 11 – Sec 36.

T 21S - R 29E

Sec 1 – Sec 3. Sec 4 Unit L1 – L16,I,J,K,O,P. Sec 5 Unit L1. Sec 10 Unit A,B,H,P. Sec 11 – Sec 14. Sec 15 Unit A,H,I. Sec

23 Unit A,B. Sec 24 Unit A,B,C,D,F,G,H,I,J,O,P. Sec 25 Unit A,O,P. Sec 35 Unit G,H,I,J,K,N,O,P. Sec 36 A,B,C,F – P.

T 21S - R 30E

Sec 1 - Sec 36

T 21S - R 31E

Sec 1 – Sec 36

T 22S - R 28E

Sec 36 Unit A,H,I,P.

T 22S - R 29E

Sec 1. Sec 3 Unit I,J,N,O,P. Sec 9 Unit G – P. Sec 10 – Sec 16. Sec 19 Unit H,I,J. Sec 20 – Sec 28. Sec 29 Unit

A,B,C,D,G,H,I,J,O,P. Sec 30 Unit A. Section 31 Unit C – P. Sec 32 – Sec 36

T 22S - R 30E

Sec 1 – Sec 36

T 22S - R 31E

Sec 1 – Sec 11. Sec 12 Unit B,C,D,E,F,L. Sec 13 Unit E,F,K,L,M,N. Sec 14 – Sec 23. Sec 24 Unit C,D,E,F,K,L,M,N. Sec 25

Unit A,B,C,D. Sec 26 Unit A,BC,D,G,H. Sec 27 – Sec 34.

T 23S - R 28E

Sec 1 Unit A

T 23S - R 29E

Sec 1 – Sec 5. Sec 6 Unit A – I, N,O,P. Sec 7 Unit A,B,C,G,H,I,P. Sec 8 Unit A – L, N,O,P. Sec 9 – Sec 16. Sec 17 Unit

A,B,G,H,I,P. Sec 21 – Sec 23. Sec 24 Unit A – N. Sec 25 Unit D,E,L. Sec 26. Sec 27. Sec 28 Unit A – J, N,O,P. Sec 33

Unit A,B,C. Sec 34 Unit A,B,C,D,F,G,H. Sec 35. Sec 36 Unit B,C,D,E,F,G,K,L.

T 23S - R 30E

Sec 1 – Sec 18. Sec 19 Unit A – I,N,O,P. Sec 20, Sec 21. Sec 22 Unit A – N, P. Sec 23, Sec 24, Sec 25. Sec 26 Unit

A,B,F-P. Sec 27 Unit C,D,E,I,N,O,P. Sec 28 Unit A – H, K,L,M,N. Sec 29 Unit A – J, O,P. Sec 30 Unit A,B. Sec 32 A,B. Sec

33 Unit C,D,H,I,O,P. Sec 34, Sec 35, Sec 36.

T 23S - R 31E

Sec 2 Unit D,E,J,O. Sec 3 – Sec 7. Sec 8 Unit A – G, K – N. Sec 9 Unit A,B,C,D. Sec 10 Unit D,P. Sec 11 Unit G,H,I,J,M,N,O,P. Sec 12 Unit E,L,K,M,N. Sec 13 Unit C,D,E,F,G,J,K,L,M,N,O. Sec 14. Sec 15 Unit A,B,E – P. Sec 16 Unit

I, K – P. Sec 17 Unit B,C,D,E, I – P. Sec 18 – Sec 23. Sec 24 Unit B – G, K,L,M,N. Sec 25 Unit B – G, J,K,L. Sec 26 – Sec

34. Sec 35 Unit C,D,E.

T 24S - R 29E

Sec 2 Unit A, B, C, D. Sec 3 Unit A

T 24S - R 30E

Sec 1 Unit A – H, J – N. Sec 2, Sec 3. Sec 4 Unit A,B,F – K, M,N,O,P. Sec 9 Unit A – L. Sec 10 Unit A – L, O,P. Sec 11

Sec 12 Unit D,E,L. Sec 14 Unit B – G. Sec 15 Unit A,B,G,H.

T 24S – R 31E Sec 3 Unit B – G, J – O. Sec 4. Sec 5 Unit A – L, P. Sec 6 Unit A – L. Sec 9 Unit A – J, O,P. Sec 10 Unit B – G, K – N. Sec 35 Unit E – P. Sec 36 Unit E,K,L,M,N.

T 25S – R 31E Sec 1 Unit C,D,E,F. Sec 2 Unit A – H.

Figure D1 and D2

South (Hobbs) Formations to be isolated with cement plugs are:

The plugging requirements in the Hobbs Area are based on the well location within specific areas of the Area (See Figure D1). The Formations in the Hobbs Area to be isolated with cement plugs are (see Figure D2)

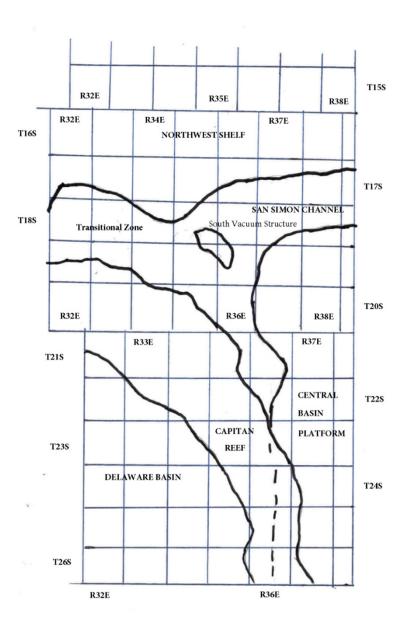


Figure D1 Map

Figure D2 Formation Table

Northwest Shelf	Captan Reef Area	Transition Zone	San Simon Channel	South Vacuum Structure	Delaware Basin	Central Basin Platform
Northwest Shelf	Captan Keer Area	Transition Zone	San Simon Channel	South Vacuum Structure	Delaware Basin	Granit Wash (Detrital
Granit Wash (Detrital basement material and fractured pre-Cambrian basement rook)	Siluro-Devonian	Morrow	Siluro-Devonian	Ellenburger	Siluro-Devonian	basement material, fractured pre-Cambrian basement rock and fracture
						Mafic Volcanic intrusives).
Montoya	Mississippian	Atoka	Morrow	Mokee	Morrow	Ellenburger
Fusselman	Morrow	Strawn	Wolfcamp	Siluro-Devonian	Atoka	Connell
Woodford	Atoka	Cisco	Abo Reef	Woodford	Strawn	Waddell
Siluro-Devonian	Strawn	Pennsylvanian	Bone Spring	Mississippian	Pennsylvanian	Mckee
Chester	Pennsylvanian	Wolfcamp	Delaware	Barnett Shale	Lower Wolfcamp	Simpson Group
Austin	Wolfcamp	Bone Spring	San Andres	Morrow	Upper Wolfcamp	Montoya
Mississippian	Abo Reef, if present	Delaware	Queen	Atoka	Wolfcamp	Fusselman
Morrow	Abo, if present	San Andres	Yates	Strawn	Third Bone Spring Sand (Top of Wolfbone)	Silurian
Atoka	Queen, if present	Grayburg-San Andres	Base of Salt	Canyon	First Bone Spring Sand (Top of Lower Bone Spring)	Devonian
Lower Pennsylvanian	Bone Spring	Queen	Rustler	Pennsylvanian	Bone Spring	Strawn
Cisco-Canyon	Delaware	Seven Rivers		Blinebry	Brushy Canyon	Pennsylvanian
Pennsylvanian	Base Capitan Reef	Yates		Bone Spring	Delaware (Base of Salt)	Wolfcamp
Bough	Seven Rivers	Base of Salt		San Andres	Rustler	Abo
Wolfcamp	Yates	Rustler		Queen		Abo Reef
Abo	Top Capitan Reef			Base of Salt		Drinkard
Abo Reef, if present	Base of Salt			Rustler		ТиЬЬ
Yeso (Township 15 South to Township 17 South)	Rustler					Blinebry
Drinkard or Lower Yeso (Township 15 South to Township 17 South)						Paddock
Tubb (Township 15 South to Township 17 South)						Glorieta
Blinebry (Township 15 South to Township 17 South)						San Andres
Paddock (Township 15 South to Township 17 South)						Grayburg
Glorieta						Grayburg-San Andres
San Andres						Queen
Queen (Township 15 South to Township 17 South)						Seven Rivers
Seven Rivers (Township 15 South to Township 17 South)						Yates
/ates (Township 15 South to Township 17 South)						Base of Salt
Base of Salt		 		+	-	Rustler
Bustler		 		1		nustier

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 447889

CONDITIONS

Operator:	OGRID:
DUGAN PRODUCTION CORP	6515
PO Box 420	Action Number:
Farmington, NM 87499	447889
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By		Condition Date
mkuehling	Notify NMOCD 24 hours prior to moving on - Monitor string pressures daily and report on subsequent - submit all logs prior to subsequent	4/3/2025

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General Information Phone: (505) 629-6116

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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Action 471259

CONDITIONS

Operator:	OGRID:
DUGAN PRODUCTION CORP	6515
PO Box 420	Action Number:
Farmington, NM 87499	471259
	Action Type:
	[C-103] NOI General Sundry (C-103X)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	Please email results of the 2-3 day monitoring. Notify this office 24 hours prior to moving rig back on.	6/5/2025