U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Sundry Print Report

10/28/2025

Well Name: HORACE SMITH COM

Well Location: T30N / R14W / SEC 26 / NESE / 36.78236 / -108.27275

County or Parish/State: SAN JUAN / NM

Well Number: 1R

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMNM0206994

Unit or CA Name: HORACE SMITH

Unit or CA Number: NMNM76182

US Well Number: 300452434600S1

Operator: DUGAN PRODUCTION CORPORATION

Notice of Intent

Sundry ID: 2880264

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 10/27/2025

Time Sundry Submitted: 07:27

Date proposed operation will begin: 10/28/2025

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

Horace_Smith_Com_1R_rec_plan_10_6_25_20251027072628.pdf

Horace_Smith_Com_1R_proposed_PA_formation_tops_20251027072547.pdf

Horace_Smith_Com_1R_proposed_PA_proposed_wellbore_schematic_20251027072541.pdf

Horace_Smith_Com_1R_proposed_PA_current_wellbore_schematic_20251027072535.pdf

Horace_Smith_Com_1R_proposed_PA_planned_work_20251027072528.pdf

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Operator: DUGAN PRODUCTION CORPORATION

Conditions of Approval

Authorized

2880264_1R_3004524346_NOIA_KR_10282025_20251028071913.pdf

General_Requirement_PxA_20251028071754.pdf

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: TYRA FEIL

Signed on: OCT 27, 2025 07:26 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: 10/28/2025

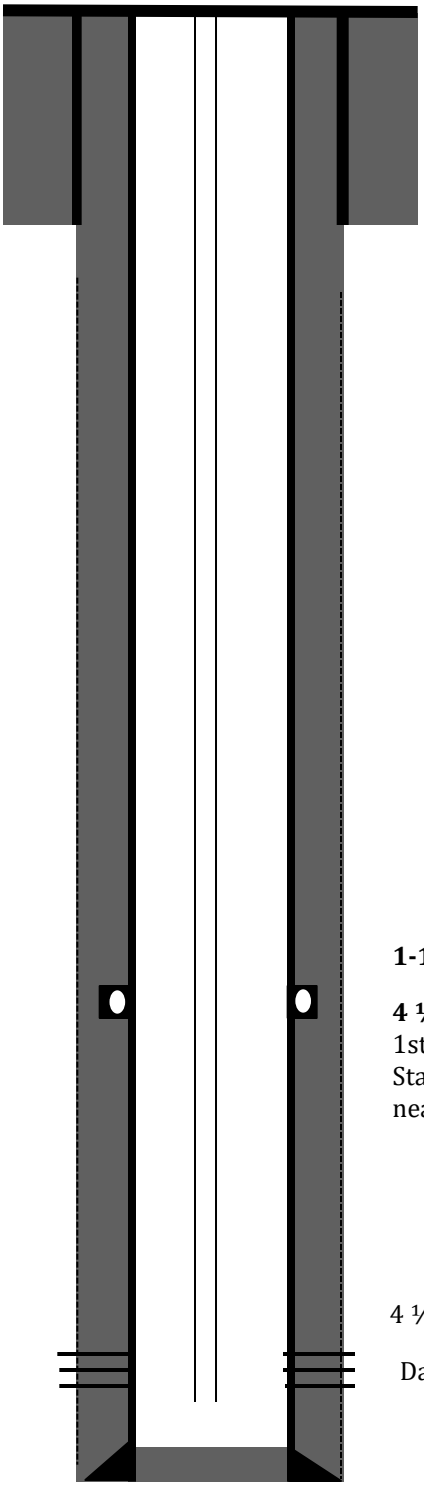
Signature: Kenneth Rennick

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

- PU & tally 2-3/8" workstring. Run 4½" casing scraper to 5830'. **RIH & set 4½" cement retainer @ 5794**'. Dakota perforations are from 5844'-6067'.
- Run CBL from 5794' 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.
- Attempt to pressure test casing to 650 psi for 30 minutes.
- **Plug I, Dakota Perforations-Dakota-Graneros:** Sting in the cement retainer at 5794'. Squeeze 20 sks, 23 cu ft Class G neat cement to cover the Dakota top below the retainer till top perforations at 5844'. Sting out. Spot Plug I inside 4½" casing above the CIBP from 5794' to 5644' w/12 sks, 13.8 cu ft Class G neat cement to cover the Dakota perforations, Dakota and Graneros tops. Total cement 32 sks, 36.8 cu ft. **Plug I, Inside 4½" casing, 32 sks, 36.8 cu ft, Dakota Perforations-Dakota top-Graneros, 5644'-5844'.**
- **Plug II, Gallup:** Spot Plug II inside 4½" casing from 5034' to 4884' 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, 4884'-5034'.**
- **Plug III, Mancos-DV:** Spot Plug III inside 4½" casing from 4140' to 3918' 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, 3918'-4140'.**
- **Plug IV, Mesaverde, Lower Chacra & Upper Chacra:** Spot Plug IV inside 4½" casing from 2774' to 1860' w/72 sks, 82.8 cu ft Class G neat cement to cover the Mesaverde, Lower Chacra & Upper Chacra tops. **Plug IV, Inside 4½" casing, 72 sks, 82.8 cu ft, Mesaverde-Lower Chacra-Upper Chacra, 1860'-2774'.**
- **Plug V, Pictured Cliffs-Fruitland:** Spot Plug V inside 4½" casing from 1275' to 1125' w/12 sks, 13.8 cu ft Class G cement to cover the Pictured Cliffs top. **Plug V, Inside 4½" casing, 12 sks, 13.8 cu ft, Pictured Cliff, 1125'-1275'.**
- **Plug VI: Fruitland-Kirtland-Surface Casing-Surface:** Spot Plug VI inside 4½" casing from 605' to surface w/48 sks, 55.2 cu ft to cover the Fruitland, Kirtland, Surface Casing shoe to surface. **Plug VI, Inside 4½", 48 sks, 55.2 cu ft, Fruitland-Kirtland- Surface Casing-Surface, 0-605'.**
- Cut wellhead. Tag TOC at surface. Fill cement in case needed.
- Install dry hole marker. Clean location.

Current Wellbore Schematic

Horace Smith Com # 1R
30-045-24346
Basin Dakota
1640' FSL & 1120' FEL
I-S26-T30N-R14W
San Juan County, NM



Hole 12 ¼", Casing 8-5/8" 24# @ 259'
Cemented w/ 150 sks Class B. Cement circulated.

1-1/4" Tubing ran to 5921'

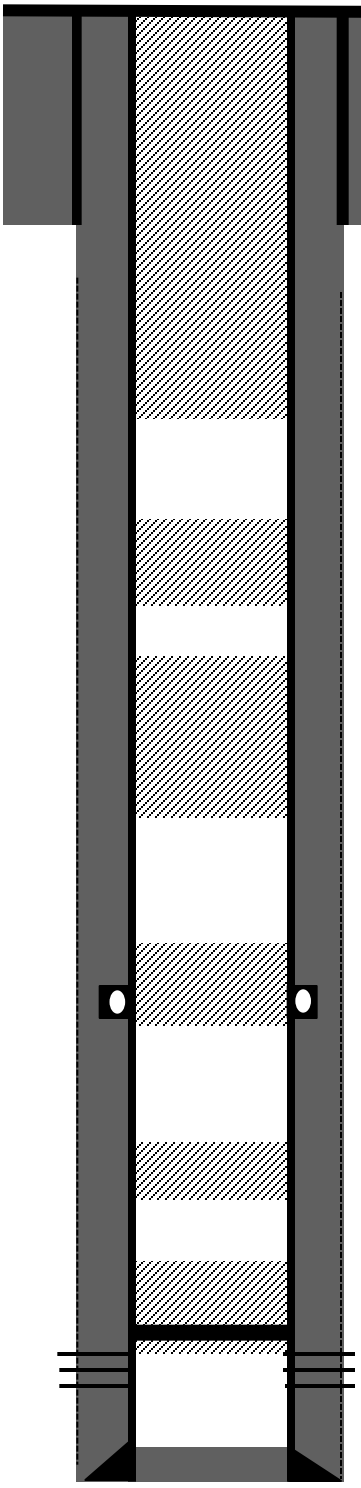
4 ½" 10.5# casing @ 6144. Hole 7-7/8"
1st stage: 200 sks Class B 8% gel + 127 sks class B. (Total slurry 531 Cu ft). Stage tool @ 4090'. 2nd stage w/ 400 sks 65-35 +12% gel, 100 sks Class B neat (Total slurry 1222 cu ft).

4 ½" 10.5 # casing @ 6144', Hole size 7-7/8"

Dakota perforations from 5844'-6067'

Planned P & A Schematic

Horace Smith Com # 1R
30-045-24346
Basin Dakota
1640' FSL & 1120' FEL
I-S26-T30N-R14W
San Juan County, NM



Hole 12 ¼", Casing 8-5/8" 24# @ 259'
Cemented w/ 150 sks Class B. Cement circulated.

Plug VI, Inside 4 ½", 48 sks, 55.2 Cu.ft, Fruitland-Kirtland- Surface Casing-Surface, 0-605'

Plug V, Inside 4 ½" casing, 12 sks, 13.8 Cu.ft, Pictured Cliff, 1125'-1275'

Plug IV, Inside 4 ½" casing, 72 sks, 82.8 Cu.ft, Mesaverde-Lower Chacra-Upper Chacra, 1860'-2774'

Plug III, Inside 4 ½" casing, 18 sks, 20.7 Cu.ft, Mancos-DV, 3918'-4140'

4 ½" 10.5# casing @ 6144. Hole 7-7/8"
1st stage: 200 sks Class B 8% gel + 127 sks class B. (Total slurry 531 Cu ft). Stage tool @ 4090'. 2nd stage w/ 400 sks 65-35 +12% gel, 100 sks Class B neat (Total slurry 1222 cu ft).

Plug II, Inside 4 ½" casing, 12 sks, 13.8 Cu.ft, Gallup, 4884'-5034'

CR at 6794'. Squeeze 20 sks, 23 Cu.ft Class B G neat cement to cover the Dakota top till the top perforations at 5844'.
Plug I, Inside 4 ½" casing, 32 sks, 36.8 Cu.ft, Dakota Perforations-Dakota top-Graneros, 5644'-5844'.

Dakota perforations from 5844'-6067'

4 ½" 10.5 # casing @ 6144', Hole size 7-7/8"

Horace Smith Com # 1R
30-045-24346
Basin Dakota
1640' FSL & 1120' FEL
I-S26-T30N-R14W
San Juan County, NM

Elevation ASL : 5583' GL

Formation Tops (Operator Submitted)

- **Kirtland - Surface**
- **Surface Casing – 259'**
- **Fruitland – 555'**
- **Pictured Cliffs – 1255'**
- **Lewis – 1475'**
- **Chacra Upper– 1960'**
- **Chacra Lower – 2530'**
- **Mesaverde – 2724'**
- **Mancos – 4018'**
- **DV tool – 4090'**
- **Gallup – 4984'**
- **Greenhorn – 5622'**
- **Graneros – 5791'**
- **Dakota – 5836'**
- **Dakota perforations – 5844'-6067'**

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Farmington District Office
6251 College Boulevard, Suite A
Farmington, New Mexico 87402
http://www.blm.gov/nm

CONDITIONS OF APPROVAL

October 28, 2025

Notice of Intent – Plug and Abandonment

Operator: Dugan Production Corporation
Lease: NMNM 0206994
Agreement: NMNM 076182
Well(s): Horace Smith Com 1R, US Well # 30-045-24346
Location: NESE Sec 26 T30N R14W (San Juan, NM)
Sundry Notice ID #: 2880264

The Notice of Intent to Plug and Abandon is accepted with the following Conditions of Approval (COA):

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

2. The following modifications to your plugging program are to be made:
   a. BLM reserves the right to request modifications after setting of the first plug and the running of the CBL.

3. **Notification:** Farmington Office is to be notified at least 24 hours before the plugging operations commence at (505) 564 7750.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

K. Rennick 10/28/2025

GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON FIELD OFFICE

1.0 The approved plugging plans may contain variances from the following minimum general requirements.

1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.

1.2 Requirements may be added to address specific well conditions.

2.0 Materials used must be accurately measured. (densometer/scales)

3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.

3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.

4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.

4.1 The cement shall be as specified in the approved plugging plan.

4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.3 Surface plugs may be no less than 50' in length.

4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.

4.6 **A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.**

5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.

5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.

5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.

5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.

6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H_2S.

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.

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 520509

CONDITIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 520509
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
loren.diede	Notify the OCD inspection supervisor via email 24 hours prior to beginning Plug & Abandon (P&A) operations.	10/28/2025
loren.diede	Submit photo and GPS coordinates of the P&A marker with the final reports. The API # on the photo must be clearly legible.	10/28/2025