U.S. Department of the Interior BUREAU OF LAND MANAGEMENT Sundry Print Reportu

Well Name: POLES PARADISE Well Location: T30N / R14W / SEC 9 / County or Parish/State: SAN

SWNW / 36.830066 / -108.319343

JUAN / NM

NW / 36.830066 / -108.319343 JUAN /

Well Number: 90S Type of Well: OTHER Allottee or Tribe Name:

Lease Number: NMNM16057 Unit or CA Name: Unit or CA Number:

CORPORATION

Notice of Intent

Sundry ID: 2880399

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 10/27/2025 Time Sundry Submitted: 02:13

Date proposed operation will begin: 11/04/2025

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

Poles_Paradise_90S_Rec_Plan_10_2_25_20251027141155.pdf

Poles_Paradise_90S_proposed_PA_formation_tops_20251027141129.pdf

 $Poles_Paradise_90S_proposed_PA_planned_wellbore_schematic_20251027141124.pdf$

Poles_Paradise_90S_proposed_PA_current_wellbore_schematic_20251027141115.pdf

Poles_Paradise_90S_proposed_PA_planned_work_20251027141107.pdf

Page 1 of 2

eived by OCD: 10/28/2025 8:48:01 AM Well Name: POLES PARADISE

Well Location: T30N / R14W / SEC 9 /

SWNW / 36.830066 / -108.319343

County or Parish/State: SAN 2 of

JUAN / NM

Well Number: 90S

Type of Well: OTHER

Allottee or Tribe Name:

Lease Number: NMNM16057

Unit or CA Name:

Unit or CA Number:

US Well Number: 300453245000S1

Operator: DUGAN PRODUCTION

CORPORATION

Conditions of Approval

Specialist Review

General_Requirement_PxA_20251028082452.pdf

2880399_90S_3004532450_NOIA_KR_10282025_20251028082427.pdf

Poles_Paradise_90S_Geo_KR_20251028081709.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 02:12 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

Signature: Kenneth Rennick

BLM POC Name: KENNETH G RENNICK BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647742 BLM POC Email Address: krennick@blm.gov

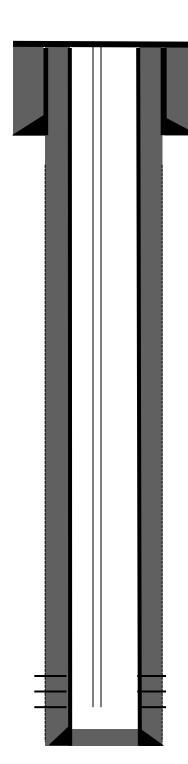
Disposition: Approved Disposition Date: 10/28/2025

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

- Run 5½" casing scraper to 930'. RIH & set 5½" cement retainer to 891'. Fruitland perforations @ 941'-1084'. Load and circulate hole.
- Attempt to pressure test casing to 600 psi for 30 mins.
- Run CBL from 891' to surface.
- Plug I, Pictured Cliffs-Fruitland-Kirtland-Surface: Sting in the cement retainer. Squeeze 20 sks, 23 cu ft Class G neat cement to cover the Pictured Cliffs below the retainer till the top perforation at 941'. Sting out. Spot inside 5½" casing above cement retainer @ 891' to surface w/110 sks (126.5 cu ft) Class G neat cement to cover the Pictured Cliffs, Fruitland, Kirtland, surface casing & surface (5 gal/sk, 15.8 #/gal, 1.15 cu ft/sk). Total 130 sks, 149.5 cu ft. Plug I, Inside 5½" casing, cement retainer at 891', 130 sks, 149.5 cu ft, Pictured Cliffs-Fruitland-Kirtland-Surface Casing-Surface, 0'-891'.
- Cut wellhead off. Fill casing with cement in case needed. Install dry hole marker.
- Clean location. Rig down and move.

Current Wellbore Schematic

Poles Paradise # 90S 30-045-32450 Basin Fruitland Coal 2075' FNL & 1235' FWL E-09-T30N-R14W San Juan County, NM



8-5/8" 24#, J-55 casing @ 131': Hole size – 12 $\frac{1}{4}$ " Cemented with 85 sks, Class B cement, 100 Cu.ft. Circ 3 bbls cement

5 $\frac{1}{2}$ " 15.5#, J-55 casing @ 1242'. Hole size: 7" Cement w/ 75 sks Lodense and 50 sks Class B cement. 213 Cu.ft Circ 6 bbls cement

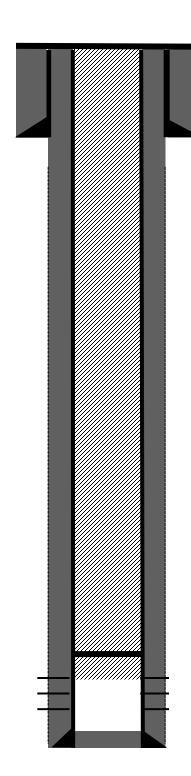
2-3/8" J-55 tubing ran to 1113'

Fruitland Coal Perforated @ 941' - 1084'

PBTD @ 1205', TD 1250'

Planned P & A Wellbore Schematic

Poles Paradise # 90S 30-045-32450 Basin Fruitland Coal 2075' FNL & 1235' FWL E-09-T30N-R14W San Juan County, NM



8-5/8" 24#, J-55 casing @ 131': Hole size - 12 ¼"Cemented with 85 sks, Class B cement, 100 Cu.ft. Circ 3 bbls cement

5 ½" **15.5**#, **J-55** casing @ **1242**'. **Hole size: 7**" Cement w/ 75 sks Lodense and 50 sks Class B cement. 213 Cu.ft Circ 6 bbls cement

Set 5 $\frac{1}{2}$ " CR @ 891'. Squeeze 20 sks, 23 Cu.ft cement to cover the Pictured cliffs top below the retainer.

Plug I, Inside 5 ½" casing, Cement Retainer at 891', 110 sks-126.5 Cu.ft, Total 130 sks-149.5 Cu.ft, Pictured Cliffs-Fruitland-Kirtland-Surface Casing-Surface, 0'-941'

Fruitland Coal Perforated @ 941' - 1084'

PBTD @ 1205', TD 1250'

Poles Paradise # 90S

30-045-32450 Basin Fruitland Coal 2075' FNL & 1235' FWL E-09-T30N-R14W San Juan County, NM

Formation Tops

- Kirtland Surface
- Surface Casing 131'
- Fruitland 602'
- Perforations 941'-1084'
- Pictured Cliffs 1086'



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 016057

Well(s): Poles Paradise 90S, US Well # 30-045-32450 Location: SWNW Sec 9 T30N R14W (San Juan, NM)

Sundry Notice ID #: 2880399

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. Complete well bore fill up proposal. No changes to the procedure.
- 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 <u>minimum general</u> 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.

2

- 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.

BLM - FFO - Geologic Report

Date Completed 10/28/2025

 Well No.
 Poles Paradise 90S
 Surf. Loc.
 2075 FNL
 1235 FWL

 US Well No.
 30-045-32450
 SWSW Section 9
 T. 30N R. 14W

Lease No. NMNM 016057

County San Juan State New Mexico

Operator Dugan Production Corporation Formation Basin Fruitland Coal

TVD 1250 PBTD 1025 Elevation KB NA

Elevation GL 5564

Geologic Formations	Est. tops	Remarks
Surface Casing	131	
Fruitland Fm Top Perforation Bottom Perforation Pictured Cliffs	602 641 1084 1086	

Remarks:	Reference Well:
Complete wellbore fill up proposal. No changes to the procedure.	NA
	Prepared by: Kenneth Rennick

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 520506

CONDITIONS

Operator:	OGRID:
DUGAN PRODUCTION CORP	6515
PO Box 420	Action Number:
Farmington, NM 87499	520506
	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 P&A reports. The API# on the marker must be clearly legible.	10/28/2025