

Well Name: JACOBS	Well Location: T30N / R14W / SEC 26 / NENW / 36.788798 / -108.281846	County or Parish/State: SAN JUAN / NM
Well Number: 3	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM33050	Unit or CA Name:	Unit or CA Number:
US Well Number: 300453059000S1	Operator: DUGAN PRODUCTION CORPORATION	

Notice of Intent

Sundry ID: 2889373

Type of Submission: Notice of Intent	Type of Action: Plug and Abandonment
Date Sundry Submitted: 01/06/2026	Time Sundry Submitted: 09:05
Date proposed operation will begin: 01/22/2026	

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

- Jacobs_3_Rec_Plan_1_6_26_20260106090400.pdf
- Jacobs_3_proposed_PA_formation_tops_20260106090352.pdf
- Jacobs_3_proposed_PA_planned_wellbore_schematic_20260106090345.pdf
- Jacobs_3_proposed_PA_current_wellbore_schematic_20260106090340.pdf
- Jacobs_3_proposed_PA_planned_work_20260106090333.pdf

Received by OCD: 1/12/2026 8:12:08 AM

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Conditions of Approval

Specialist Review

Jacobs_3_Geo_KR_20260112080249.pdf
2889373_3_3004530590_NOIA_KR_01122026_20260112080245.pdf
General_Requirement_PxA_20260112080230.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: JAN 06, 2026 09:04 AM

Name: DUGAN PRODUCTION CORPORATION

Title: Authorized Representative

Street Address: PO BOX 420

City: FARMINGTONState: NM

Phone: (505) 325-1821

Email address: TYRAFEIL@DUGANPRODUCTION.COM

Field

Representative Name: Aliph Reena

Street Address: PO Box 420

City: FarmingtonState: NMZip: 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: 01/12/2026

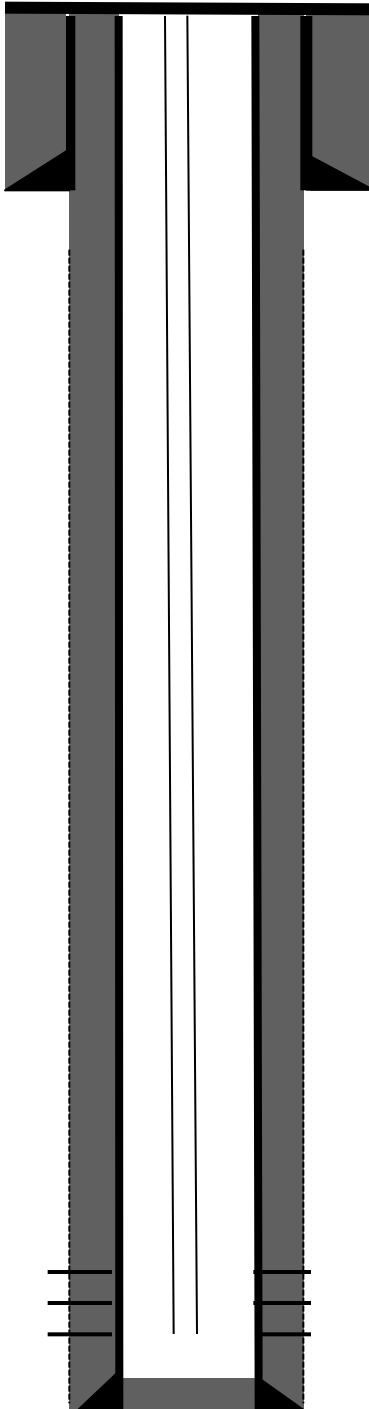
Signature: Kenneth Rennick

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

- Run 4½" casing scraper to 1170'.
- RIH & set 4½" cement retainer to 1160'. **Pictured Cliffs perforations @ 1198'-1294'**
- Load and circulate hole clean.
- Attempt to pressure test casing to 600 psi for 30 mins.
- Run CBL from 1160' to surface.
- **Plug I, Pictured Cliffs-Fruitland-Kirtland-Surface:** Sting in cement retainer at 1160'. Squeeze 20 sks, 23 cu ft Class G neat cement to cover the Pictured Cliffs below the retainer till top perforation at 1198'. Sting out. Spot inside 4½" casing above cement retainer @ 1160' w/94 sks (108.1 cu ft) Class G neat cement to cover the Pictured Cliffs, Fruitland tops & surface casing shoe to surface (5 gal/sk, 15.8 #/gal, 1.15 cu ft/sk). Total cement for the plug 114 sks, 131.1 cu ft. **Plug I, Inside 4½" casing, cement retainer at 1160', 114 sks, 131.1 cu ft, Pictured Cliffs-Fruitland-Surface Casing shoe-Surface, 0'-1198'.**
- Cut wellhead off. Fill casing w/cement in case needed. Install dry hole marker.
- Clean location. Rig down and move.

Current Wellbore Schematic

Jacobs 3
30-045-30590
Harper Hill FR Sand PC
1310' FNL & 1654' FWL
C-S26-T30N-R14W
San Juan County, NM



7" 23# casing @ 127' Hole size 9-7/8"

Cemented w/ 59 Cu.ft Class B, w/ 3% CaCl₂ and ¼# celloflake/sx.
Circ 2 bbls cement to surface

4 ½" 10.5# Tex Tube casing @ 1422', Hole size 6-1/4"

Cemented w/ 164.8 Cu. Ft Class B containing 2% Lodense and
1/4#/sk celloflake, tailed w/ 82.6 Cu. ft containing ¼#/sk
celloflake. Circulate 4 bbls cement.

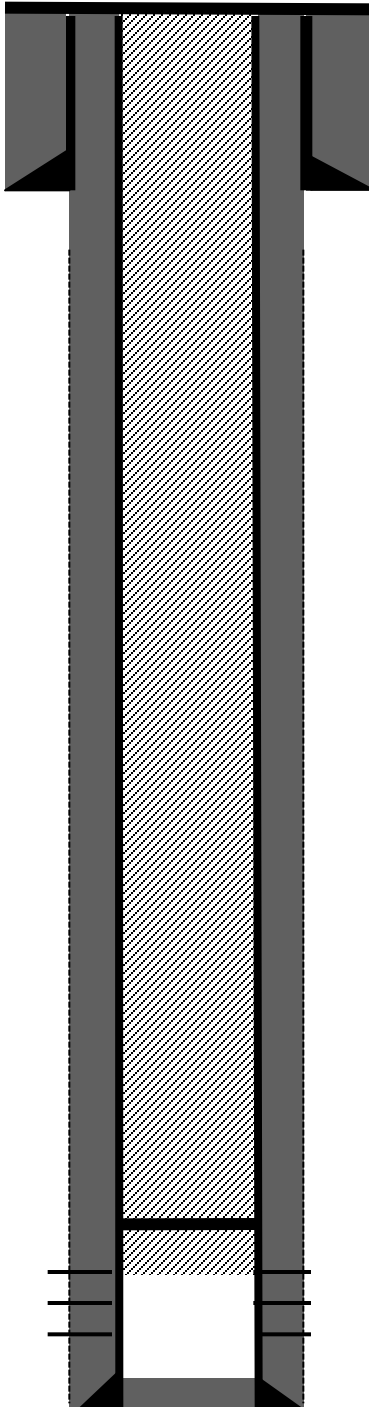
2-3/8" J-55 Tubing ran to 1337'

Pictured Cliffs Perforated @ 1198' - 1294'

PBTD at 1393', TD at 1425'

Planned P & A Wellbore Schematic

Jacobs 3
30-045-30590
Harper Hill FR Sand PC
1310' FNL & 1654' FWL
C-S26-T30N-R14W
San Juan County, NM



7" 23# casing @ 127' Hole size 9-7/8"

Cemented w/ 59 Cu.ft Class B, w/ 3% CaCl₂ and 1/4# celloflake/sx.
Circ 2 bbls cement to surface

Set 4 1/2" CR @ 1060'. Squeeze 20 sks, 23 Cu.ft cement to cover the Pictured cliffs top below the retainer till top perf.

Plug I, Inside 4 1/2" casing, cement retainer at 1060', 106 sks, 121.9 cu ft, Pictured Cliffs-Fruitland-Surface Casing shoe, 0'-1100'.

4 1/2" 10.5# Tex Tube casing @ 1422', Hole size 6-1/4"

Cemented w/ 164.8 Cu. Ft Class B containing 2% Lodense and 1/4#/sk celloflake, tailed w/ 82.6 Cu. ft containing 1/4#/sk celloflake. Circulate 4 bbls cement.

Pictured Cliffs Perforated @ 1198' - 1294'

PBTD at 1393', TD at 1425'

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Formation Tops (Operator Submitted)

- **Ojo Alamo - Surface**
- **Kirtland - Surface**
- **Surface Casing - 127'**
- **Fruitland - 950'**
- **Perforations - 1198'-1294'**
- **Pictured Cliffs - 1295'**



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

January 12, 2026

Notice of Intent – Plug and Abandonment

Operator: Dugan Production Corporation
Lease: NMNM 033050
Well(s): Jacobs 3 (US Well No. 30-045-30590)
Sundry Notice ID #: 2889373

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 wellbore 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 01/12/2026

**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 - FFO - Geologic Report

Date Completed 1/12/2026

Well No. Jacobs 3
US Well No. 30-045-30590
Lease No. NMNM 033050

Operator Dugan Production Corporation Formation Harper Hill Fruitland Sand PC

Geologic Formations	Est. tops	Remarks
Surface Casing	127	
Fruitland Fm	950	
Top Perforation	1198	
Bottom	1294	
Pictured Cliffs	1295	

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 541976

CONDITIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 541976
	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.	1/13/2026
loren.diede	Submit photo and GPS coordinates of the P&A marker with the C-103P subsequent report. The API# on the marker must be clearly legible.	1/13/2026