

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM12027

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on page 2

8. Well Name and No.
CHACO PLANT 90S

9. API Well No.
30-045-33782-00-S1

10. Field and Pool or Exploratory Area
BASIN FRUITLAND COAL

11. County or Parish, State
SAN JUAN COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other: COAL BED METHANE

2. Name of Operator Contact: ALIPH REENA
DUGAN PRODUCTION CORPORATION Email: aliph.reena@duganproduction.com

3a. Address 3b. Phone No. (include area code)
709 E MURRAY DRIVE Ph: 505-325-1821
FARMINGTON, NM 87499

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 17 T26N R12W SESE 1285FSL 660FEL
36.484523 N Lat, 108.128158 W Lon

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Hydraulic Fracturing <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input checked="" type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

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

- 1) Set CR @ 881'. Pressure test casing.
- 2) Spot Plug I above retainer @ 660'-881' w/32 sks (37 cu ft) Class G neat - 15.6#/gal, 1.15 cu ft/k - Fruitland, Plug I: 660'-881'.
- 3) Spot Plug II below surface casing shoe @ 175' w/27 sks (30 cu ft) Class G cement w/2% CaCl2 - 15.6#/gal, 1.15 cu ft/sk - Surface, Plug II: 0-175'.
- 4) Tag TOC at surface. Fill cement in case needed. Cut wellhead.
- 5) Install dry hole marker. Cut anchors. Clean location.

OIL CONS. DIV DIST. 3

AUG 17 2017

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

Notify NMOCD 24 hrs prior to beginning operations

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #383758 verified by the BLM Well Information System For DUGAN PRODUCTION CORPORATION, sent to the Farmington Committed to AFMSS for processing by ABDELGADIR ELMADANI on 08/14/2017 (17AE0299SE)

Name (Printed/Typed) ALIPH REENA	Title AGENT, ENGINEERING SUPERVISOR
Signature (Electronic Submission)	Date 08/03/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ABDELGADIR ELMANDANI Title PETROLEUM ENGINEER Date 08/14/2017

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office Farmington

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.

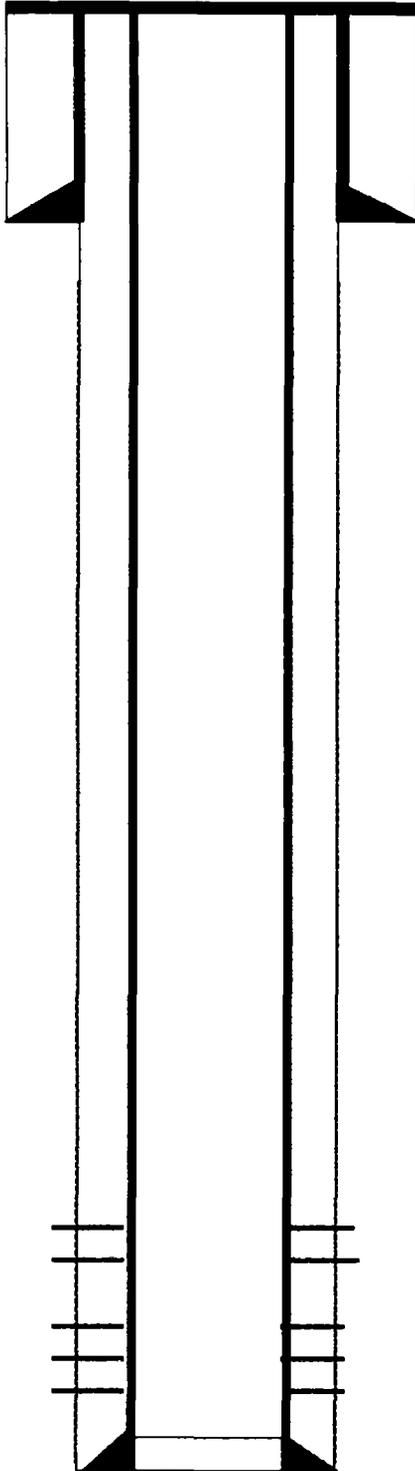
(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

NMOCD

Current Wellbore Schematic

Chacoplant 90S
30-045-33782
1285' FSL & 660' FEL
S17 T26N R12W



8 5/8" J-55 24# casing @ 125'. Cemented with 80 sks
Type 5w/ 2% CaCl₂. Hole size 12-1/4"

Cement production casing w/ 231 cu.ft. 5 bbl Cement Circulated
to surface.

5 1/2" 15.5 # casing @ 1313'. Hole size: 7"

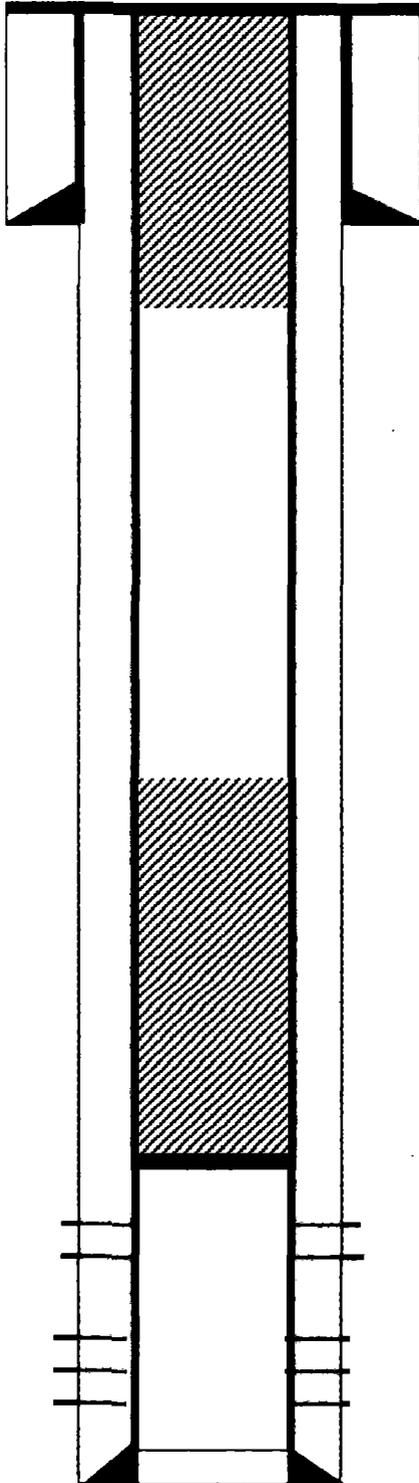
Set CR @ 881'. Set Inside Plug with 32 sks (37 cu.ft) @ 660'-881'
Class G cement.(660'-881') (Plug I, Fruitland)

Fruitland Coal Perforated @ 931' - 1128'

PBTD @ 1268'

Planned P & A Schematic

Chaco Plant 90S
30-045-33782
1285' FSL & 660' FEL
S17 T26N R12W



8 5/8" J-55 24# casing @ 125'. Cemented with 80sks Type 5 w/
2% CaCl₂. Hole size 12-1/4"

Spot plug to surface w/ 27 sks Class G Cement (30 cu.ft)
(Plug II, Surface -175')

Cement production casing w/ 231 cu.ft. 5 bbl Cement circulated
to surface.

Set CR @ 881'. Set Inside Plug with 32 sks (37 cu.ft) @ 660'-881'
Class G cement.(660'-881') (Plug I, Fruitland)

5 1/2" 15.5 # casing @ 1313'. Hole size: 7"

Fruitland Coal Perforated @ 931' - 1128'

PBTD @ 1268'

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

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Chaco Plant # 90s

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 (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.