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

Sundry Print Report

10/18/2023

Well Name: COWSAROUND 21

Well Location: T26N / R12W / SEC 21 / NENE / 36.47919 / -108.10971

County or Parish/State: SAN JUAN / NM

Well Number: 1

Type of Well: OTHER

Allottee or Tribe Name:

Lease Number: NMNM12028

Unit or CA Name:

Unit or CA Number:

US Well Number: 300452807300S1

Well Status: Producing Gas Well

Operator: DUGAN PRODUCTION CORPORATION

Notice of Intent

Sundry ID: 2756923

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 10/18/2023

Time Sundry Submitted: 09:04

Date proposed operation will begin: 12/11/2023

Procedure Description: Dugan Production plans to plug and abandon the well per the following procedure: 1) Run 4½" casing scraper to 932'. RIH & set 4½" CIBP @ 932'. Fruitland Coal perforations @ 982'-1190'. Load hole. Pressure test casing to 600 psi for 30 mins. 2) Spot inside Plug I above CIBP @ 932' w/12 sks (13.8 cu ft) Class G neat cement to 782' to cover the Fruitland top (5 gal/sk, 15.8 #/gal, 1.15 cu ft/sk). Plug I, inside 4½" casing, 782'-932', Fruitland, 12 sks, 13.8 cu ft. 3) Perforate @ 178'. This is to satisfy new NMOCD COA to shoot 50' below the surface casing shoe, even if cement is circulated or TOC is at surface from CBL. Run 2-3/8" tubing to 240'. Spot inside/outside Plug II from 240' w/42 sks Class G neat cement (48.3 cu ft) to cover the surface casing shoe. Plug II, inside/outside 4½" casing, 0-240', Surface, 42 sks, 48.3 cu ft. 4) Cut wellhead off. Fill casing w/cement in case needed. Install dry hole marker. 5) Clean location. Rig down and move.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Cowsaround_21_1_Reclamation_Plan_20231018085419.pdf

Cowsaround_21_1_PA_formation_tops_20231018085408.pdf

Cowsaround_21_1_PA_proposed_wellbore_schematic_20231018085350.pdf

Cowsaround_21_1_PA_current_wellbore_schematic_20231018085339.pdf

Well Name: COWSAROUND 21	**Well Location:** T26N / R12W / SEC 21 / NENE / 36.47919 / -108.10971	**County or Parish/State:** SAN JUAN / NM
Well Number: 1	**Type of Well:** OTHER	**Allottee or Tribe Name:**
Lease Number: NMNM12028	**Unit or CA Name:**	**Unit or CA Number:**
US Well Number: 300452807300S1	**Well Status:** Producing Gas Well	**Operator:** DUGAN PRODUCTION CORPORATION

Cowsaround_21_1_PA_Proposed_Procedure_20231018085328.pdf

Conditions of Approval

Specialist Review

2756923_NOIA_1_3004528073_KR_10182023_20231018112705.pdf

26N12W21_Cowsaround_21_1_Geo_KR_20231018112625.pdf

General_Requirement_PxA_20231018112617.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 18, 2023 08:47 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: 10/18/2023

Signature: Kenneth Rennick

Planned P & A Procedure

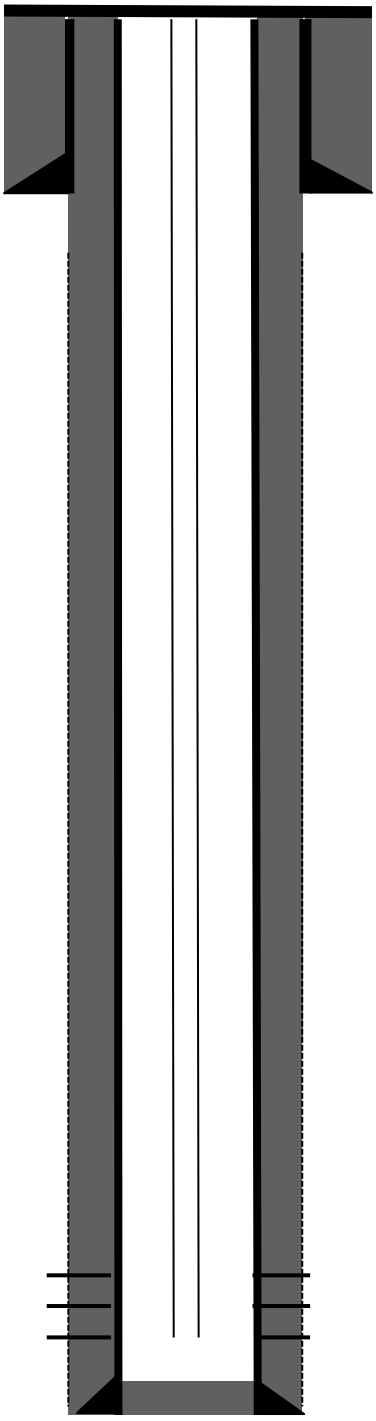
Cowsaround 21 #1
30-045-28073
Basin Fruitland
680' FNL & 680' FEL
S21 T26N R12W
San Juan County, NM
Lat:36.4791069 Long:-108.1102676

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

- Run 4½" casing scraper to 932'. RIH & set 4½" CIBP @ 932'. Fruitland Coal perforations @ 982'-1190'. Load hole. Pressure test casing to 600 psi for 30 mins.
- Spot inside Plug I above CIBP @ 932' w/12 sks (13.8 cu ft) Class G neat cement to 782' to cover the Fruitland top (5 gal/sk, 15.8 #/gal, 1.15 cu ft/sk). **Plug I, inside 4½" casing, 782'-932', Fruitland, 12 sks, 13.8 cu ft.**
- Perforate @ 178'. This is to satisfy new NMOCD COA to shoot 50' below the surface casing shoe, even if cement is circulated or TOC is at surface from CBL. Run 2-3/8" tubing to 240'. Spot inside/outside Plug II from 240' w/42 sks Class G neat cement (48.3 cu ft) to cover the surface casing shoe. **Plug II, inside/outside 4½" casing, 0-240', Surface, 42 sks, 48.3 cu ft**.
- Cut wellhead off. Fill casing w/cement in case needed. Install dry hole marker.
- Clean location. Rig down and move.

Current Wellbore Schematic

Cowsaround 21 # 1
30-045-28073
Basin Fruitland
680’ FNL & 680’ FEL
S21 T26N R12W
San Juan County, NM
Lat:36.4791069 Long:-108.1102676



7” 20# casing @ 128’. Cemented with 65 sks Class B cement.
Hole size: 9-1/4". Circulate 3 bbls cement to surface.

4 ½” 9.5# casing @ 1329’. Hole size: 6-1/4”

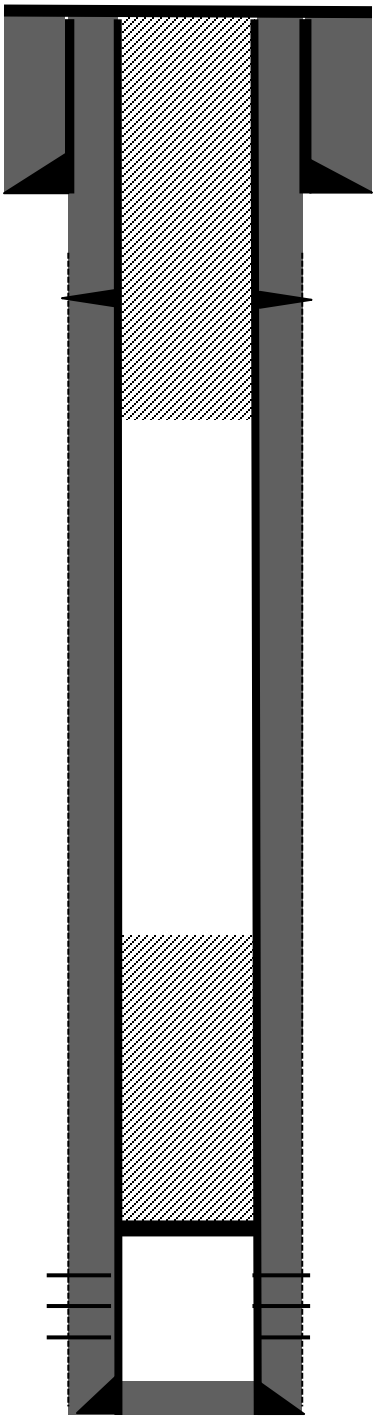
Cemented production casing w/ 111 sks 65/35 poz w/ 12% gel followed by 40 sks Class B neat, 338 Cu.ft total. Circulated 15 bbls cement to surface.

Fruitland Coal Perforated @ 982’ – 1190’

PBTD @ 1264, TD 1345’

Planned Wellbore Schematic

Cowsaround 21 # 1
30-045-28073
Basin Fruitland
680’ FNL & 680’ FEL
S21 T26N R12W
San Juan County, NM
Lat:36.4791069 Long:-108.1102676



7” 20# casing @ 128’. Cemented with 65 sks Class B cement.
Hole size: 9-1/4". Circulate 3 bbls cement to surface.

Perforate @ 178’. Plug II, inside 4 ½” casing, 0-240’, Surface-Ojo Alamo-Kirtland, 42 sks, 48.3 Cu.ft.

4 ½” 9.5# casing @ 1329’. Hole size: 6-1/4”

Cemented production casing w/ 111 sks 65/35 poz w/ 12% gel followed by 40 sks Class B neat, 338 Cu.ft total. Circulated 15 bbls cement to surface.

Set 4 ½” CIBP @ 932’. Plug I, Inside 4 ½” casing, 782’-932’, Fruitland, 12 sks, 13.8 Cu.ft.

Fruitland Coal Perforated @ 982’ – 1190’

PBTD @ 1264, TD 1345’

Cowsaround 21 # 1
30-045-28073
Basin Fruitland
680’ FNL & 680’ FEL
S21 T26N R12W
San Juan County, NM
Lat:36.4791069 Long:-108.1102676

Formation Tops

- **Ojo Alamo – 66**
- **Kirtland – 190**
- **Fruitland – 940**
- **Pictured Cliff - 1198**

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

AFMSS 2 Sundry ID 2756923

Attachment to notice of Intention to Abandon

Well: Cowsaround 21 1

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 at (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.

K. Rennick 10/18/2023

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.

BLM FLUID MINERALS
P&A Geologic Report

Date Completed: 10/18/2023

Well No. Cowsaround 21 1 (API 30-045-28073)		Location	NENE		
Lease No. NMNM12028		Sec. 21	T26N		R12W
Operator Dugan Production Corporation		County	San Juan	State	New Mexico
Total Depth 1345' (TD)	1264' (PB)	Formation	Fruitland Coal		
Elevation (GL) 6060'					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/freshwater sands
Nacimiento Fm					Possible freshwater sands
Ojo Alamo Ss	66				Aquifer (possible freshwater)
Kirtland Shale	190				
Fruitland Fm			940		Coal/Gas/Possible water
Pictured Cliffs Ss					Gas
Lewis Shale					
Chacra					Gas
Cliff House Ss					Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos Shale					
Gallup					O&G/Water
Greenhorn					
Graneros Shale					
Dakota Ss					O&G/Water

Remarks:
P & A

- Available raster logs only clearly show a formation top for the Fruitland. The Kirtland and Ojo Alamo are not shown. The raster logs for the reference well nearby does support the estimated formation tops by the operator. Comparable due to the proximity. Appropriate for the area.

Reference Well:
10
US Well No. 30-045-22016
Sec. 21, T. 26N, R. 12W

Prepared by: *Kenneth Rennick*

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 276963

CONDITIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 276963
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	Notify NMOCD 24 hours prior to moving on.	10/24/2023