

Well Name: HIKE	Well Location: T29N / R12W / SEC 1 / SWNE / 36.757095 / -108.045822	County or Parish/State: SAN JUAN / NM
Well Number: 1	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMSF065557A	Unit or CA Name:	Unit or CA Number:
US Well Number: 300452916700S1	Operator: DUGAN PRODUCTION CORPORATION	

Notice of Intent

Sundry ID: 2866285

Type of Submission: Notice of Intent	Type of Action: Plug and Abandonment
Date Sundry Submitted: 07/31/2025	Time Sundry Submitted: 08:04
Date proposed operation will begin: 08/19/2025	

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

- Hike_1_Rec_Plan_6_24_25_20250731080243.pdf
- Hike_1_proposed_PA_formation_tops_20250731080215.pdf
- Hike_1_proposed_PA_planned_wellbore_schematic_20250731080203.pdf
- Hike_1_proposed_PA_current_wellbore_schematic_20250731080151.pdf
- Hike_1_proposed_PA_planned_work_20250731080053.pdf

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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: JUL 31, 2025 08:02 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: 08/18/2025
Signature: Kenneth Rennick	

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

- PU & tally 2-3/8" workstring. Run 4½" casing scraper to 3700'. **RIH & set 4½" cement retainer @ 3660'**. Mesaverde perforations are from 3710'-3718'.
- Run CBL from 3660' 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, Mesaverde top & perforations:** Sting in cement retainer at 3660'. Squeeze 15 sks, 17.25 cu.ft Class G neat cement under the cement retainer to cover the Mesaverde top below the retainer till top perforation at 3710'. Sting out. Spot Plug I inside 4½" casing above the retainer from 3660' to 3510' w/12 sks, 13.8 cu ft Class G neat cement to cover the Mesaverde top & Mesaverde perforations. **Plug I, Inside 4½" casing, 27 sks, 31.05 cu ft, Mesaverde top & Mesaverde perforations, 3510'-3710'.**
- **Plug II, Chacra Upper-Chacra Lower:** Spot Plug II inside 4½" casing from 3050' to 2590' w/36 sks, 41.4 cu ft Class G cement to cover the Upper Chacra & Lower Chacra tops. **Plug II, Inside 4½" casing, 36 sks, 41.4 cu ft, Upper Chacra-Lower Chacra, 2590'-3050'** **Plug III, DV tool-Pictured Cliffs-Fruitland:** Spot Plug III inside 4½" casing from 2205' to 1552' w/50 sks, 57.5 cu ft Class G cement to cover the DV tool, Pictured Cliffs & Fruitland tops. **Plug III, Inside 4½" casing, 50 sks, 57.5 cu ft, DV tool-Pictured Cliff-Fruitland, 1552'-2205'.**
- **Plug IV, Kirtland-Ojo Alamo:** Spot Plug IV inside 4½" casing from 852' to 532' w/25 sks, 28.75 cu ft to cover the Kirtland-Ojo Alamo tops. **Plug IV, Inside 4½" casing, 25 sks, 28.75 cu ft, Kirtland-Ojo Alamo, 532'-852'.**
- **Plug V: Surface Casing-Surface:** Spot Plug V inside 4½" casing from 310' to surface w/24 sks, 27.6 cu ft to cover the Surface Casing shoe to surface. **Plug V, Inside 4½", 24 sks, 27.6 cu ft to cover the Surface Casing-Surface, 0-310.**
- Cut wellhead. Tag TOC at surface. Fill cement in case needed.
- Install dry hole marker. Clean location.

Current Wellbore Schematic

Hike #1

30-045-29167

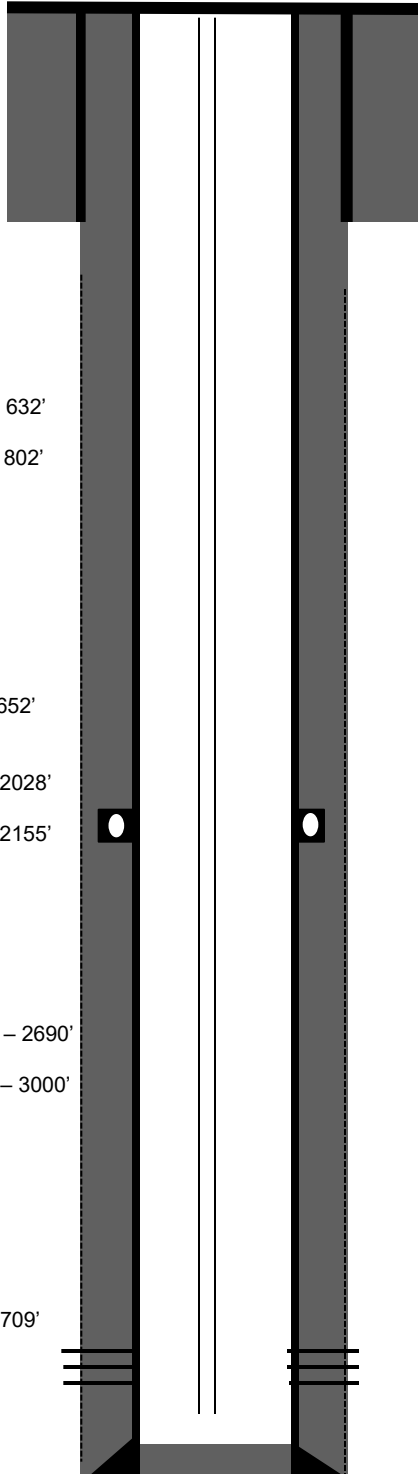
Mesaverde

1650' FNL & 1607' FEL

G-S1-T29N-R12W

San Juan County, NM

Lat: 36.7572327 Long: -108.046463



8-5/8", 24# casing set @ 260'. Hole size - 12 1/4"
Cemented surface casing with 175 sacks of Class 'B' neat with
2% CaCl. Circulated cement to surface

4-1/2", 11.6# casing set @ 3820'.

Cemented in stages: 1st Stage:120 sxs neat cement, 2nd Stage:375 sxs. Class 'B' neat cement with 2% extender, yield 2.06u.ft./sx, density 12.4#/gal, tailed in w/ 100 sxs Class 'B' neat. Circulated 4 bbls circ cement to surface. (595 sks). DV tool at 2155'

2-3/8" tubing ran to 3710'

Mesaverde perforations 3710'-3718'

4 1/2" 11.6 # casing @ 3820', Hole size 7-7/8"

Hike #1
30-045-29167
Mesaverde
1650' FNL & 1607' FEL
G-S1-T29N-R12W
San Juan County, NM
Lat: 36.7572327 Long: -108.046463

Elevation ASL : 5855' GL

Formation Tops (Operator Submitted)

- **Surface Casing – 260'**
- **Ojo Alamo – 632'**
- **Kirtland – 802'**
- **Fruitland – 1652'**
- **Pictured Cliffs – 2028'**
- **Lewis – 2137'**
- **Chacra Upper– 2690'**
- **Chacra Lower – 3000'**
- **Mesaverde – 3709'**
- **Mesaverde perforations – 3710'-3718'**

Hike #1

30-045-29167

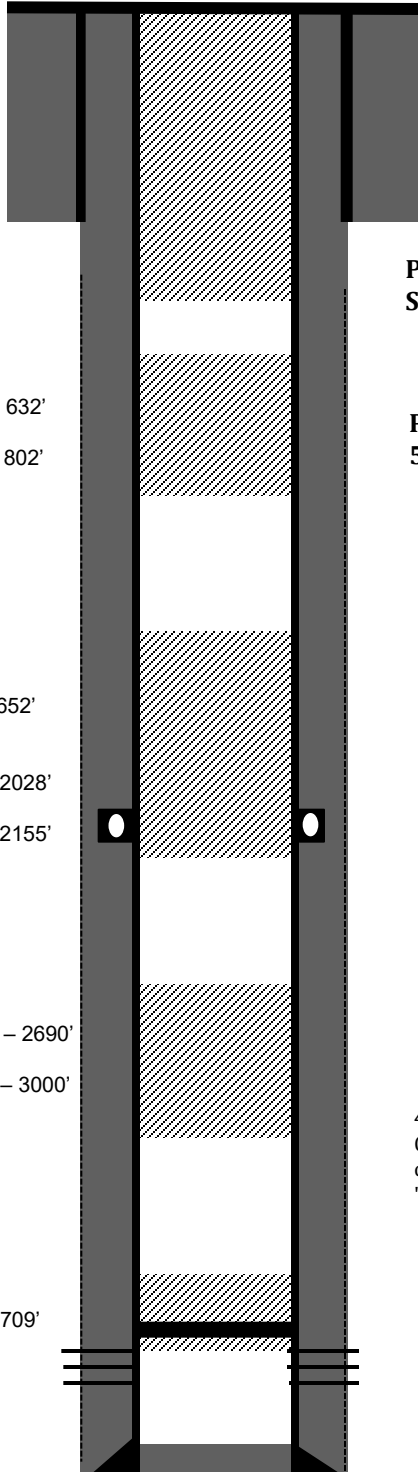
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8-5/8", 24# casing set @ 260'. Hole size - 12 1/4"

Cemented surface casing with 175 sacks of Class 'B' neat with 2% CaCl. Circulated cement to surface

Plug V, Inside 4 1/2", 24 sks, 27.6 Cu.ft to cover the Surface Casing-Surface, 0-310**Plug IV, Inside 4 1/2" casing, 25 sks, 28.75 Cu.ft, Kirtland-Ojo Alamo, 532'-852'****Plug III, Inside 4 1/2" casing, 50 sks, 57.5 Cu.ft, DV tool-Pictured Cliff-Fruitland, 1552'-2205'****Plug II, Inside 4 1/2" casing, 36 sks, 41.4 Cu.ft, Upper Chacra-Lower Chacra, 2590'-3050'****4-1/2", 11.6# casing set @ 3820'.**

Cemented in stages: 1st Stage:120 sxs neat cement, 2nd Stage:375 sxs. Class 'B' neat cement with 2% extender, yield 2.06u.ft./sx, density 12.4#/gal, tailed in w/ 100 sxs Class 'B' neat. Circulated 4 bbls circ cement to surface. (595 sks). DV tool at 2155'

Cement Retainer at 3660'. Plug I, Inside 4 1/2" casing, 27 sks, 31.05 Cu.ft, Mesaverde top & Mesaverde perforations, 3510'-3710'.**Mesaverde perforations 3710'-3718'****4 1/2" 11.6 # casing @ 3820', Hole size 7-7/8"**



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

August 18, 2025

Notice of Intent – Plug and Abandonment

Operator: Dugan Production Corporation
Lease: NMSF 0065557A
Well(s): Hike 1, US Well # 30-045-29167
Location: Sec 1 T24N R08W (San Juan County, NM) **Sundry**
Notice ID #: 2866285

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. Modify Plug 2: Move the BOC to 3100' to account for the BLM geologist's pick for the lower Chacra at 3050'.
 - b. Modify Plug 3: Move the TOC to 1360' to account for the BLM geologist's pick for the Fruitland at 1459'.
 - c. Modify Plug 4: Move the TOC to 490' to account for the BLM geologist's pick for the Ojo Alamo at 589'.
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 8/18/2025

**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 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**

8/13/2025

Well No.	Hike No 1	Surf. Loc.	1650	FNL	1607	FEL
Lease No.	NMSF065557A	Sec	1	T29N	R12W	
US Well No.	3004529167					
Operator	Dugan Production Corp.	County	San Juan	State	New Mexico	
TVD	3820	PBTD	3820	Formation	Blanco Mesa Verde	
Elevation	GL	5855		Elevation	Est. KB	5867

Geologic Formations	Est. tops	Subsea Elev.	Remarks
Nacimiento Fm.	Surface	0	Surface /fresh water sands
Surface Casing	260	5607	Fresh water aquifer
Ojo Alamo Ss	589	5278	Fresh water aquifer
Kirtland Fm.	802	5065	
Fruitland Fm.	1459	4408	Coal/gas/possible water
Pictured Cliffs	1964	3903	Possible gas/water
Lewis Shale	2137	3730	Source rock
DV Tool	2155	3712	
Huerfanito Bentonite	2251	3616	Reference bed
Chacra (Upper)	2690	3177	Possible gas/water
Chacra (Lower)	3050	2817	Possible gas/water
Cliff House Ss	3619	2248	Possible gas/water

Remarks:Reference Well:

-Vertical wellbore, all formation depths are TVD from KB at the wellhead.

- Modify Plug 2: Move the BOC to 3100' to account for the BLM geologist's pick for the lower Chacra.

-Modify Plug 3: Move the TOC to 1360' to account for the BLM geologist's pick for the Fruitland.

-Modify Plug 4: Move the TOC to 490' to account for the BLM Geologist's pick for the Ojo Alamo.

Simcoe LLC
Dudley Cornell A 1E
3004524129
1750 FNL, 1750 FEL, 1G-29N-12W
GL= 5856, KB= 5868

Prepared by: Walter Gage

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 496815

CONDITIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 496815
	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.	8/18/2025
loren.diede	NMOCD picks the Pictured Cliffs formation top at 2028'. NMOCD agrees with all other BLM formation top picks.	8/18/2025
loren.diede	Submit photo and GPS coordinates of the P&A marker with the final P&A reports. The API# on the marker is to be clearly legible.	8/18/2025