

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

Well Name: MONTREAL

Well Location: T23N / R10W / SEC 4 /
SWNW / 36.25769 / -107.907501

County or Parish/State: SAN
JUAN / NM

Well Number: 2

Type of Well: OIL WELL

Allottee or Tribe Name:
EASTERN NAVAJO

Lease Number: N00C14207309

Unit or CA Name:

Unit or CA Number:

US Well Number: 300452692600S1

Operator: DUGAN PRODUCTION
CORPORATION

Notice of Intent

Sundry ID: 2893383

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 01/28/2026

Time Sundry Submitted: 04:57

Date proposed operation will begin: 02/23/2026

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

Montreal_2_Rec_Plan_1_28_26_20260128165544.pdf

Montreal_2_proposed_PA_formation_tops_20260128165538.pdf

Montreal_2_proposed_PA_planned_wellbore_schematic_20260128165532.pdf

Montreal_2_proposed_PA_current_wellbore_schematic_20260128165526.pdf

Montreal_2_proposed_PA_planned_work_20260128165519.pdf

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Conditions of Approval

Additional

Montreal_No_2_Geo_Rpt_20260204143827.pdf

Authorized

2893383_2_3004526926_NOIA_KR_02052026_20260205071703.pdf

General_Requirement_PxA_20260205071655.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 28, 2026 04:55 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

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: 02/05/2026

Signature: Kenneth Rennick

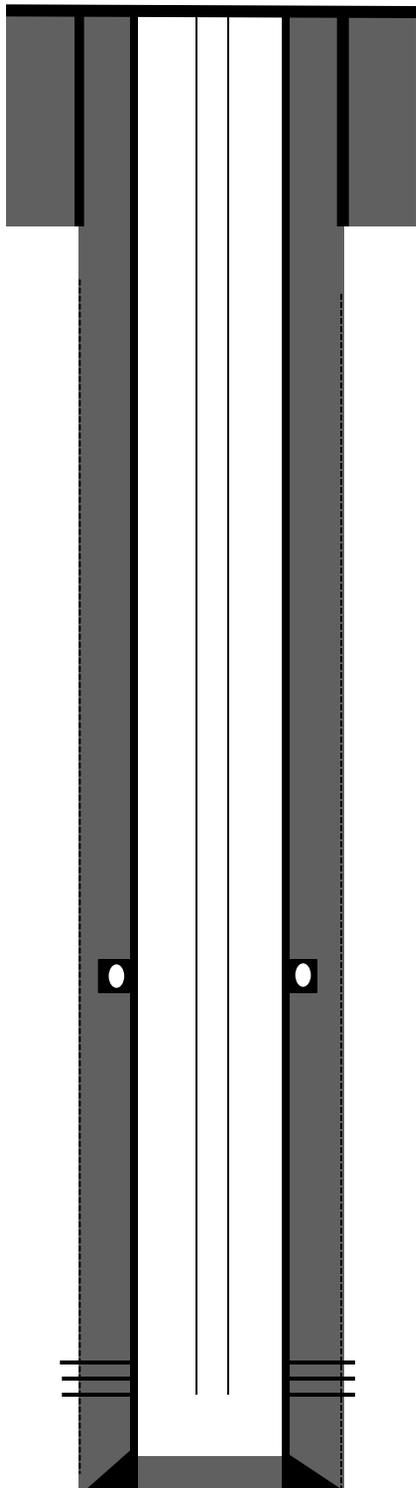
Dugan Production plans to P & A the well according to the following procedure:

- PU & tally 2-3/8" work string. Run 4½" casing scraper to 4361'.
- **RIH & set 4½" CICR @ 4351'**. Gallup perforations are from 4391'-4589'.
- RU WL & run CBL from 4351' 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, Gallup top & Gallup perforations:** Tag cement retainer @ 4351'. Sting in and attempt to squeeze 20 sks, 23 cu ft Class G cement to cover below the retainer till the top perf at 4391'. Sting out, spot Plug I inside 4½" casing from 4351' above the CR to 4080' w/24 sks (27.6 cu ft) Class G cement to cover the Gallup top & Gallup Perforations (5 gal/sk, 15.8 #/gal, 1.15 cu ft/sk). Total 44 sks, 50.6 cu ft. Tag and verify. **Plug I, Inside 4½" casing, cement retainer at 4351', 44 sks, 50.6 cu ft, Gallup Top & Gallup perforations, 4080'-4391'.**
- **Plug II, Mancos-DV Tool:** Spot Plug II inside 4½" casing from 3675' to 3450' w/20 sks (23 cu ft) Class G cement to cover the DV tool & Mancos top. **Plug II, Inside 4½" casing, 20 sks, 23 cu ft, DV Tool-Mancos top, 3450'-3675'.**
- **Plug III, Mesaverde-Lower Chacra-Upper Chacra:** Spot Plug III inside 4½" casing from 2082' to 1296' w/64 sks, 73.6 cu ft Class G neat cement to cover the Mesaverde, Lower Chacra & Upper Chacra tops. **Plug III, Inside 4½" casing, 64 sks, 73.6 cu ft, Upper Chacra-Lower Chacra-Mesaverde, 1296'-2082'.**
- **Plug IV, Pictured Cliffs-Fruitland-Kirtland-Surface Casing shoe-Surface:** Spot Plug IV inside 4½" casing from 1022' to 0' w/84 sks, 96.6 cu ft Class G cement to cover the Pictured Cliffs, Fruitland, Kirtland & Ojo Alamo tops-Surface Casing shoe-Surface. **Plug IV, Inside 4½" casing, 84 sks, 96.6 cu ft, Pictured Cliffs-Fruitland-Kirtland-Ojo Alamo-Surface Casing shoe-Surface, 0'-1022'.**
- Cut wellhead. Tag TOC at surface. Fill cement in case needed.
- Install dry hole marker. Clean location.

Current Wellbore Schematic

Montreal 2

API: 30-045-26926
E-S 04 T23N R10W
1830' FNL & 660' FWL
Bisti Gallup South
San Juan County, NM



8-5/8" ST&C 24# casing @ 204'. Hole Size: 12-1/4"
Cemented with 135 sks, 159.3 Cu ft Class B Cement plus
2% CaCl₂. Circulated 2 bbls cement to surface

2-3/8" end of tubing at 4570'.

4 1/2" 10.5 # J-55 casing @ 4711', Hole size 7-7/8"
Cemented Stage I w/ 230 sks, 50-50 pos w/2% gel and 1/4#
celloflake/sk. (Total slurry 1st stage: 292 cu ft) **DV tool @ 3625'**
Cemented stage II w/ 600 sks 65-35 plus 12% gel & 1/4# celloflake/sk.
Followed by 50 sks 50-50 pos w/ 1/4# celloflake/sk. (2nd stage slurry
total 1390 cu ft) Circulated trace cement to surface.

Gallup Perforations: 4391' - 4589'

PBTD: 4644'

TD: 4705'

Montreal 2

API: 30-045-26926
E-S 04 T23N R10W
1830' FNL & 660' FWL
Bisti Gallup South
San Juan County, NM

Elevation ASL : 6567' GL

Formation Tops (Operator Submitted)

- **Surface Casing - 204'**
- **Kirtland - 238'**
- **Fruitland - 770'**
- **Pictured Cliffs - 972'**
- **Lewis - 1093'**
- **Chacra Upper- 1396'**
- **Chacra Lower - 1492'**
- **Mesaverde - 2032'**
- **Mancos - 3550'**
- **DV tool - 3625'**
- **Gallup - 4180'**
- **Gallup perforations - 4391'-4589'**



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

February 5, 2026

Notice of Intent – Plug and Abandonment

Operator: Dugan Production Corporation
Lease: N00C14207309
Well(s): Montreal 2, US Well # 30-045-26926
Sundry Notice ID #: 2893383

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 3. Make the TOC 1220' and the BOC 2115' to account for the BLM geologist's picks for the Upper Chacra at 1320' and the Cliff House at 2065' respectively.**
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 2/5/2026

**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 2/4/2026

| | | | |
|---------------------------------------|------------------------|-------------------------|------------|
| Well No. Montreal No 2 | Surf. Loc. 1830 | FNL 660 | FWL |
| Lease No. N00C14207309 | Sec 4 | T23N | R10W |
| Operator Dugan Production Corporation | County San Juan | State | New Mexico |
| US Well # 30-045-26926 | | | |
| TVD 4705 | PBTD 4644 | Formation: Bisti Gallup | |
| Elevation GL 6567 | Elevation Est. KB 6579 | | |

| Geologic Formations | Est. tops | Subsea Elev. | Remarks |
|----------------------|-----------|--------------|-------------------------|
| Ojo Alamo Ss | Surface | 6579 | Fresh water aquifer |
| Surface Casing | 204 | 6375 | |
| Kirtland Fm. | 230 | 6349 | |
| Fruitland Fm. | 590 | 5989 | Coal/gas/possible water |
| Pictured Cliffs | 942 | 5637 | Possible gas/water |
| Lewis Shale (Main) | 1055 | 5524 | Source rock |
| Huerfanito Bentonite | 1190 | 5389 | Reference bed |
| Chacra (Upper) | 1320 | 5259 | Possible gas/water |
| Chacra (Lower) | 1770 | 4809 | Possible gas/water |
| LaVentana | 1900 | 4679 | Source rock |
| Cliff House Ss | 2065 | 4514 | Possible gas/water |
| Menefee Fm. | 2320 | 4259 | Coal/water/possible gas |
| Point Lookout Fm. | 3160 | 3419 | Possible gas/water |
| Mancos Shale | 3530 | 3049 | Source rock |
| DV Tool | 3625 | 2954 | |
| Gallup | 4180 | 2399 | Oil & gas |
| Gallup Perfs | 4391 | 2188 | |

Remarks:

-Vertical wellbore, all formation depths are TVD from KB at the wellhead.
 -Modify Plug 3. Make the TOC 1220' and the BOC 2115' to account for the BLM geologist's picks for the Upper Chacra and the Cliff House respectively.

Reference Well:

Dugan Production Corporation
 Same

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 550880

CONDITIONS

| | |
|--|---|
| Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499 | OGRID: 6515 |
| | Action Number: 550880 |
| | 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. | 2/9/2026 |
| loren.diede | Submit photo and GPS coordinates of the P&A marker with the C-103P subsequent P&A report. The API# on the marker must be clearly legible | 2/9/2026 |