

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-23118
5. Indicate Type of Lease STATE [ ] FEE [x]
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name E.M. Hartman
8. Well Number 1
9. OGRID Number 006515
10. Pool name or Wildcat Otero Chacra
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5573' GL

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)
1. Type of Well: Oil Well [ ] Gas Well [x] Other [ ]
2. Name of Operator Dugan Production Corp.
3. Address of Operator PO Box 420, Farmington, NM 87499-0420
4. Well Location Unit Letter I : 1670 feet from the South line and 1050 feet from the East line
Section 13 Township 29N Range 11W NMPM San Juan County

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK [ ] PLUG AND ABANDON [x]
TEMPORARILY ABANDON [ ] CHANGE PLANS [ ]
PULL OR ALTER CASING [ ] MULTIPLE COMPL [ ]
DOWNHOLE COMMINGLE [ ]
CLOSED-LOOP SYSTEM [ ]
OTHER: [ ]
SUBSEQUENT REPORT OF:
REMEDIAL WORK [ ] ALTERING CASING [ ]
COMMENCE DRILLING OPNS. [ ] P AND A [ ]
CASING/CEMENT JOB [ ]
OTHER: [ ]

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

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

- 1) Set CIBP @ 2902'. Chacra perforated @ 2952'-2964'. Load casing. Pressure test casing to 600 psi. Run CBL from 2902' to surface. All cement plug volumes are proposed on assuming TOC @ 2400' from 75% gauged hole volume calculation. Will make necessary changes to the plugs after the CBL, and consulting w/NMOCD.
2) Spot Plug I above CIBP inside 4-1/2", 11.6# casing from 2902' to 2802' w/12 sks (13.8 cu ft) Class G neat cement (1.15 cu ft/sk, 5 gal/sk mix water, 15.8#/gal). Chacra, Plug I: 2802'-2902'.
3) Spot Plug II inside/outside 4-1/2" casing from 1924' to 1580' w/166 sks (191 cu ft) Class G neat cement (1.15 cu ft/sk, 5 gal/sk mix water, 15.8#/gal). Fruitland-Pictured Cliffs, Plug II: 1580'-1924'.
4) Spot Plug III inside/outside 4-1/2" casing from 1290' to 1160' w/65 sks (75 cu ft) Class G neat cement. Ojo Alamo-Kirtland, Plug III: 1160'-1290'.
5) Perforate @ 368'. Establish circulation to surface. Circulate cement to surface behind 4-1/2" casing and fill up inside 4-1/2" casing from 368' to surface w/116 sks, 134 cu ft. Plug VI: surface, 0'-368'.
6) Cut wellhead. Tag TOC @ surface. Fill cement in case needed.
7) Install dry hole marker. Clean location.

Notify NMOCD 24hrs Prior to beginning operations

COA: Adjust plug #3 805'-490', inside/outside. OCD Kirtland pick @ 755', Ojo Alamo @ 540'.

Spud Date: [ ] Rig Release Date: [ ]

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Engineering Supervisor DATE 06/23/2020

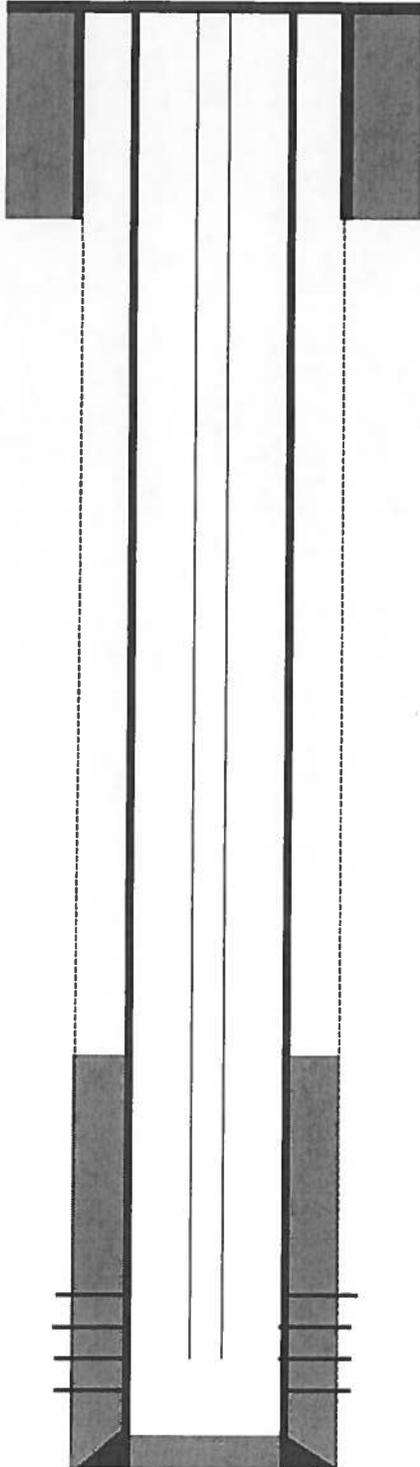
Type or print name Aliph Reena E-mail address: aliph.reena@duganproduction.com PHONE: 505-325-1821

APPROVED BY: [Signature] TITLE District III Geologist DATE 7/7/2020

Conditions of Approval (if any):

**Current Wellbore Schematic**

E M Hartman # 1  
API; 30-045-23118  
Sec 13 T29N R11W  
1050' FEL & 1670' FSL, Chacra  
Lat; 36.761039 Long: -108.27360  
Lease No: 309100



8-5/8" J-55 24# casing @ 318'. Cemented with 275 sks. Hole size: 12-1/4

Cemented w/ 650 sks. TOC should be close to 2400' from 75% gauged hole volume calculation.

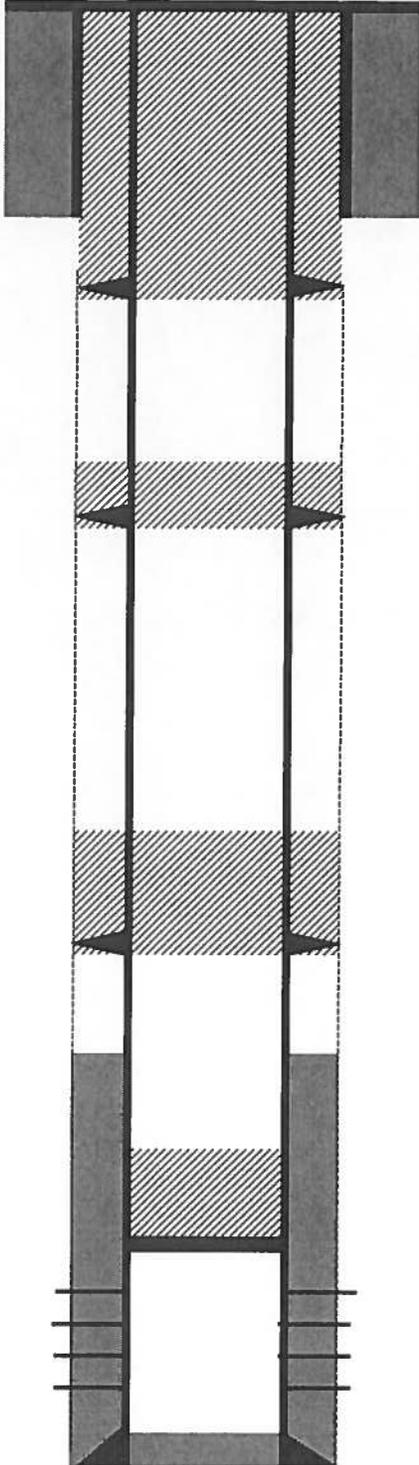
1 1/2" tubing set @ 2954'

Chacra Perforated @ 2952'-2964'

4 1/2" 11.6 # casing @ 3100'. PBTB @ 3053'

**Planned P & A Schematic**

E M Hartman # 1  
API; 30-045-23118  
Sec 13 T29N R11W  
1050' FEL & 1670' FSL, Chacra  
Lat; 36.761039 Long: -108.27360  
Lease No: 309100



8-5/8" J-55 24# casing @ 318'. Cemented with 275 sks. Hole size: 12-1/4

Perforate @ 368'. Circulate cement to surface w/ 116 sks Class G cement @ 0-368'(134 cu.ft) [Plug VI: Surface-368]

Inside/Outside plug w/ 65 sks Class G (75 cu.ft) @ 1160'-1290' [Plug III: Ojo Alamo-Kirtland]

Cemented w/ 650 sks. TOC should be close to 2400' from 75% gauged hole volume calculation.

Inside/outside plug w/ 166 sks Class G @ 1580'-1924' (191 cu.ft) [Plug II: Pictured Cliffs-Fruitland]

Set CIBP @2902 '. Inside plug I w/ 12 sks Class G @ 2802'-2902' (13.8 cu.ft)[ PlugI, Chacra].

Chacra Perforated @ 2952'-2964'

4 1/2" 11.6 # casing @ 3100'. PBSD @ 3053'

# EM Hartman P&A Reclamation Plan

API# 30-045-23118

I-13-29N-11W

1670 FSL 1050 FEL

Dugan has made plans to plug and abandon the EM Hartman #1. As directed by OCD regulation Dugan will take the following steps to reclaim the surface:

1. Remove all surface equipment.
2. Clean the well pad of all trash.

The well is located on fee acreage. As such Dugan will coordinate with the land owner to ensure the surface is restored to the condition that the land owner wants.

If you have questions please contact Dugan personnel who will provide additional clarity.