Form 3160-5 (November 1983) (Formerly 9-331)	BLM 1 Robinson 1 UNITED STATES PARTMENT OF THE INTE BUREAU OF LAND MANAGEME	SUBMIT IN TRIPLIC (Other Instructions (Control Instructions (Contr	5. LEASE DESIGNATION AND SERIAL NO. NM 14970
SUNDRY (Do not use this form f	NOTICES AND REPORTS or proposals to drill or to deepen or pla APPLICATION FOR PERMIT—" for suc	ON WELLS ig back to a different reservoir. th proposals.)	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
1. Dry Hole			7. UNIT AGREEMENT NAME
WELL WELL OTHER 2. NAME OF OPERATOR			8. FARM OR LEASE NAME
DUGAN PRODUCTION CORP.			B.R.'s Stars
3. ADDRESS OF OPERATOR			9. WELL NO.
P O Box 208, Farmington, NM 87499 1. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)			10. FIELD AND POOL, OR WILDCAT
See also space 17 Delow.)			Undesignated Gallup
330' FSL - 500' FEL FEB 20 1986			11. SBC., T., R., M., OR BLK. AND SURVEY OR ARMA
			Sec.17,T21N,R3W,NMPM
14. PERMIT NO.	15. ELEVATIONS (Show whether	BUREAU OF LAND MANAGEME FASMINGTON RESCURCE ARE,	N7 12. COUNTY OR PARISH 13. STATE
	7125' GL;		4 Sandoval NM
18. C	neck Appropriate Box To Indicate	e Nature of Notice, Report	, or Other Data
NOTICE OF INTENTION TO:			UBSEQUENT REPORT OF:
TEST WATER SHUT-OFF FRACTURE TREAT SHOOT OR ACIDIZE REPAIR WELL	PCLL OR ALTER CASING MULTIPLE COMPLETE ABANDON* CHANGE PLANS	WATER SHUT-OFF FRACTURE TREATMENT SHOOTING OR ACIDIZING (Other)	
(Other)		i Completion or F	tecompletion Report and Log form.)
17. DESCRIBE PROPOSED OR COMP proposed work. If well nent to this work.) *	LETED OPERATIONS (Clearly state all pert is directionally drilled, give subsurface	inent details, and give pertinent locations and measured and true	dates, including estimated date of starting any vertical depths for all markers and zones perti
	and abandon this well a		
(1) Spot	cement plug in 5½" casin	g from 5012' to 546	l' (59 cf).
(2) Spot	cement plug 3274-3374' (13 cf).	
(3) Spot	cement plug 1803'-1903'	(13 cf).	
(4) Spot	100' cement plug 100' -	surface (13 cf).	
(5) Insta	ll "dry hole marker" and	l restore location.	M F C
<u>Note:</u> We do no	t plan to pull casing.		OIL CON. DIV.
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BUREAU OF LAND MANAGEMENT Drawer 600 Farmington, New Mexico 87499-00600

Attachment to Notice of

Intention to Abandon

Re: Permanent Abandonment

Well: 2 B.R. STars

CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."
- 2. The Farmington office (telephone (505) 325-4572) is to be notified in sufficient time for a representative to witness all plugging operations.
- 3. Blowout prevention equipment is required.
- 4. In addition to normal filling of pits and cleanup of location, additional surface restoration work may be required, i.e. ripping of pad and/or access road, reseeding, etc. We have asked the Surface Management Agency for the surface restoration requirements for this well and we should be able to furnish you these requirements within 30 days. After plugging the well and before making final clean-up, you should contact this office unless you have already been advised as to what additional surface restoration work is required.
- 5. The following modifications to your plugging program are to be made (when applicable):
 - 1. Add a cement plug from 2765 to 2665° Cover the top of the chaera).
- 1380' (to cover the Ojo Ahmo).
 - 3. Add acement plug from 262 to
 162 (to dover the 85 "crsing Shoe).

Office Hours: 7:30 A.M. to 4:15 P.M.

GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL LEASES FARMINGTON DISTRICT

- 1. Secure prior approval before changing the approved plugging program.
- 2. Plugging equipment used shall have separate mixing and displacement pumps and a calibrated tank to assure proper displacement of plugs.
- 3. A proper tank or pit will be used to contain all fluids pumped from the well during plugging operations.
- 4. All cement plugs are to be placed through tubing (or drillpipe) and shall be a minimum of 25 sacks or 100 feet in length, whichever is greater.
- 5. Any cement plug placed when well is not full of fluid, or when well may be taking fluid, will be touched after cement has set to verify proper location.
- 6. Mud must be placed between plugs. Minimum consistency of plugging mud must be 9.2 lbs/gal. Brine is to be utilized for mixing mud where possible.
- 7. Within 15 days after plugging work is completed, file Subsequent Report of Abandonment, form 9-331, in quintuplicate with District Supervisor, U.S.G.S., Drawer 600, Farmington, New Mexico 87499-00600. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. Show date well was plugged.
- 8. All permanently abandoned wells are to be marked with a permanent monument, on which has been stenciled or beaded the well name, well number, and well location by quarter-quarter, section, township, and range. The monument is to be of steel pipe, not less than four inches in diameter, cemented permanently in the ground, and extending four feet above general ground level. The top should be closed with a screw cap, welding, or a cement plug.
- 9. After plugging work is completed:

a. Fill all pits, rat hole and cellar.

b. Clean well location of all equipment, concrete bases, pipe, junk and trash.

c. Cut or remove tie downs.

- d. If last well on lease, and no additional drilling is contemplated, fill tank battery pits, remove battery equipment, and clean and level battery location.
- e. Accomplish surface restoration as specified by the surface management agency or land owner.

All above are minimum requirements. The Subsequent Report of Abandonment will not be approved and the period of liability under the bond of record terminated until the lease is inspected and surface work approved.

Please advise this office when the well location is ready for final inspection.