Form 9-331 USGS (Farmington) 1-Southern Union 1-File Form Approved. - -Budget Bureau No. 42-R1424 Dec. 1973 UNITED STATES 5. LEASE 7 3 NM 25425 DEPARTMENT OF THE INTERIOR 6. IF INDIAN, ALLOTTEE OR TRIBE NAME GEOLOGICAL SURVEY 7. UNIT AGREEMENT NAME 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 Form 9–331–C for such proposals.) 8. FARM OR LEASE NAME Grand Gulch: - 2 gas 1. oil \mathbf{X} other 9. WELL NO. well well 2. NAME OF OPERATOR 10. FIELD OR WILDCAT NAME Dugan Production Corp. Wildcat PC -3. ADDRESS OF OPERATOR 11. SEC., T., R., M., OR BLK. AND SURVEY OR Box 208, Farmington, NM 87401 **AREA** 4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 Sec 6 T24N R7W below.) 1120' FSL - 880' FWL 12. COUNTY OR PARISH 13. STATE AT SURFACE: AT TOP PROD. INTERVAL: <u>Rio Arriba</u> AT TOTAL DEPTH: 14. API NO. 16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE. REPORT, OR OTHER DATA 15. ELEVATIONS (SHOW DF, KDB, AND WD) 7085' GL SUBSEQUENT REPORT OF: REQUEST FOR APPROVAL TO: TEST WATER SHUT-OFF FRACTURE TREAT SHOOT OR ACIDIZE (NOTE: Report results of multiple completion or zone REPAIR WELL change on Form 9-330.) PULL OR ALTER CASING MULTIPLE COMPLETE **CHANGE ZONES** ABANDON* (other) 17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* See attached sheet for perfs and acid/frac, 10-18 thru 1] = 23-80. Subsurface Safety Valve: Many. and Type _ 18. I hereby certify that the oregoing is true and correct Engineer DATE SIGNED _ -Dugan (This space for Federal or State office use) ACCEPTED FOR RECURU DATE TITLE APPROVED BY CONDITIONS OF APPROVAD 4 1980 RARMINGTON DISTRICT

*See Instructions on Reverse Side

Dugan Production Corp. Grand Gulch # 1 Page # 3

9-4-80 Finished drlg. to T.D. 2550' 1:30 p.m. Conditioned hole by circulating for two hrs, short trip then circulated for 1 hr. 10:00 p.m. Welex in hole w/ I.E.S. Log; Log on bank at 12:10 a.m.

12:45 a.m. ran Density-Gamma Survey; on bank at 5:15 a.m. Western Drilling went in hole with drill pipe, laid down drill pipe in preparation for running casing.

Trip in hole w/ drill pipe, laid down drill pipe and collars; rigged up and ran 90 jts., 2-7/8" a.d., 6.4#, 10Rd. N.E.U.E., tbg. for csg. T.E. 2566.57' set @ 2566 G.L., cemented w/ 75 sks 65-35 plus 12% gel. Followed by 75 sks. class "B" neat - (pre flushed hole w/5 bbls mud flush) - note - all cement had 1/4# flocele per sk. - had good mud return while cementing (total cement slurry 285 cu. ft.) - max. cementing pressure 400 psi - pumped plug w/ 1500 psi - latch down plug held 0.K. P.O.B. @ 4:00 a.m. 9-5-80 - released rig @ 4:15 a.m. 9-5-80.

DAILY REPORT

- Moved in and rigged up F.W.S. swabbing unit Southwest Surveys. Ran Gamma Ray Correlation and collar logs. P.B.T.D. 2528'. Swabbed csg down to 2000'. Perforated w/ 2-1/8" glass jet per foot, 2484' 2494'. Made one swab run to btm. No show gas S.D.O.N.
- 10-20-80 R.U. Allied Services. Break down P.C. formation w/ 250 gal. 15% HCL. 2700 psi breakdown ave treating pressure 1000 psi. ISDP 450 PSI.
- 11-22-80 Rig up the Western Co. Shut down due to nitrogen trucks unable to make turns in road.
- Rigged up Sunco Water haulers and Halliburton Nitrogen. Test lines to 3000 psi. Frac well w/ 70% quality foam. 3000 gal foam pad ahead of 3000 gals of foam w/ 1 ppg 10-20 sand and 2890 gals of foam w/ 2 ppg 10-20 sand. Well sanded off. Blew back well. Started 1000 gal foam pad. Unable to pump sand. Shut down. Average IR 15 BPM @ 2100 psi. Maximum pressure 4000 psi while placing pad and screening off. Minimum pressure 1700 psi while attempting to restart frac. ISDP 1600 psi. Materials used: 132,000 SCF N2 (120,100 SCF pumped); 11,000# 10-20 sand, 18 gals adafoam; 140 bbl of water, 250 HHP, shut well in for 2 hrs. Open well to atmosphere w/ ½" choke.