

(November 1983)
(Formerly 9-331)

DEPARTMENT OF THE INTERIOR (Other instructions on reverse side)
BUREAU OF LAND MANAGEMENT

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—" for such proposals.)

| | |
|--|--|
| 1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> | 5. LEASE DESIGNATION AND SERIAL NO. Jic. Tribal Contract #241 |
| 2. NAME OF OPERATOR DUGAN PRODUCTION CORP. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME Jicarilla |
| 3. ADDRESS OF OPERATOR P.O. Box 420, Farmington, NM 87499 | 7. UNIT AGREEMENT NAME |
| 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface 330' FSL & 2310' FEL | 8. FARM OR LEASE NAME Boulder |
| 14. PERMIT NO. | 9. WELL NO. 10 |
| | 10. FIELD AND POOL, OR WILDCAT Boulder Mancos |
| 15. ELEVATIONS (Show whether OF, BT, OR, etc.) 7137' GL | 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 23, T28N, R1W, NMPM |
| 12. COUNTY OR PARISH Rio Arriba | 13. STATE NM |

RECEIVED
NOV 27 1990
OIL CON. DIV. I

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

| NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | |
|-------------------------|-------------------------------------|-----------------------|--------------------------|
| TEST WATER SHUT-OFF | <input type="checkbox"/> | WATER SHUT-OFF | <input type="checkbox"/> |
| FRACTURE TREAT | <input type="checkbox"/> | FRACTURE TREATMENT | <input type="checkbox"/> |
| SHOOT OR ACIDIZE | <input type="checkbox"/> | SHOOTING OR ACIDIZING | <input type="checkbox"/> |
| REPAIR WELL | <input type="checkbox"/> | (Other) | <input type="checkbox"/> |
| (Other) | <input type="checkbox"/> | | |
| PCLL OR ALTER CASING | <input type="checkbox"/> | REPAIRING WELL | <input type="checkbox"/> |
| MULTIPLE COMPLETE | <input type="checkbox"/> | ALTERING CASING | <input type="checkbox"/> |
| ABANDON* | <input checked="" type="checkbox"/> | ABANDONMENT* | <input type="checkbox"/> |
| CHANGE PLANS | <input type="checkbox"/> | | |

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

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.)

Plug to abandon by spotting Class "B" cement plugs with 9 lb./gal. mud as follows:

- 1) Perforate 4 1/2" liner @ 3494'. Spot 200' plug (3294-3494) across Gallup top @ 3394' with 39 cu. ft.
- 2) Spot 100' plug across liner top @ 2860' (2810-2910) with 16 cu. ft.
- 3) Spot 100' plug in 7" casing across Mesa Verde top @ 2268' (2218-2318) with 23 cu. ft.
- 4) Perforate 50' below surface casing (128') @ 178' and pump 71 cu. ft. cement down 7" to circulate to surface.
- 5) Cut off casing head and set dry hole marker.

18. I hereby certify that the foregoing is true and correct

SIGNED John Alexander

TITLE Operations Manager

DATE 10-30-90

(This space for Federal or State office use)

APPROVED BY _____
CONDITIONS OF APPROVAL, IF ANY:

TITLE _____

NMOOD

DATE NOV 18 1990
FOR NON-TOWNSHIP
FARMING

*See Instructions on Reverse Side

Title 18 U.S.C. Section 1001, makes 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.



GENERAL REQUIREMENTS FOR
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES
FARMINGTON RESOURCE AREA

1. Secure prior approval either on a Sundry Notice (Form 3160-5) or verbally from the Fluids Drilling & Production Section at this office 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. The Operator is responsible for providing all measuring devices needed to assure proper measurement of materials being used.

3. A proper tank or pit will be used to contain all fluids pumped from the well during plugging operations. Unattended pits are to be fenced.

4. All cement plugs are to be placed through tubing (or drillpipe) and shall be a minimum of 100 feet in length with 50% excess inside casing or 100% excess when plug is set in open hole or squeezed into perforations. 15.5#/gal slurry weight is to be used when using class B neat cement or when CaCl_2 is used. Use the recommended slurry weight of other type cements when they are used (Class C, Pozzolan etc.).

5. Any cement plugs placed when well is not full of fluid, or when well may be taking fluid, (i.e. across perfs-unless bridge plug or retainer is used, across bad csg., or fresh water formations) will be tagged (touched) after cement has set to verify proper location.

5a. Testing The first plug below the surface plug shall generally be tested by either tagging the plug with the working pipe string, or pressuring to a minimum pump (surface) pressure of 1000 psig, with no more than a 10 percent drop during a 15-minute period (cased hole only). If the integrity of any other plug is questioned, it must be tested in the same manner. Also, any cement plug which is the only isolating medium for a fresh water interval or a zone containing a valuable mineral deposit should be tested by tagging with the drill string.

6. Mud must be placed between plugs. Plugging mud is to be made up with a minimum of 15 lbs/bbl of sodium bentonite, and a nonfermenting polymer. Minimum consistency of plugging mud must be 9 lbs/gal and with a minimum viscosity of 50 sec/qt. Fresh water is to be utilized for mixing mud.

7. Following the placement of a cement plug, the withdrawal rate for at least the length of the cement plug shall not exceed 30 ft/min, in order to minimize the contamination of the plug.

8. Within 30 days after plugging work is completed, file a Sundry Notice (Subsequent Report of Abandonment, Form 3160-5), in quintuplicate with Area Manager, Bureau of Land Management, 1235 La Plata Highway, Farmington, NM 87401. 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.

9. All permanently abandoned wells are to be marked with a regulation marker (4" pipe extending 4' above the ground line) containing the information as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10. After plugging work is completed the surface is to be rehabilitated in accord with instructions from the Fluids Surface Management Section of the Farmington Resource Area Office.

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

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

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.