Form	3160-5
Oure	10001

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FURM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

M 0558652A

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

6. If Indian, Allottee or Tribe Name

USE "APPLICATION FOR PERMIT—" for such proposals	
SUBMIT IN TRIPLICATE	7. If Unit or CA, Agreement Designation
1. Type of Well Oil	8. Well Name and No.
2. Name of Operator	Wayout #1
Dugan Production Corp.	9. API Well No.
3. Address and Telephone No	30-045-21908
P.O. Box 420, Farmington, NM 87499 325-182	21 10. Field and Pool, or Exploratory Area
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)	Wildcat Pictured Cliffs II. County or Parish, State
5-27N-13~ 1450/50 WU/W	San Juan County, NM
12 CHECK ADDRODDIATE DOVALTO INDICATE MATURE OF A	NOTICE REPORT OR OTHER DATA

12.	CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
	TYPE OF SUBMISSION	TYPE OF ACTION		
	Notice of Intent Subsequent Report Final Abandonment Notice	Abandonment Recompletion Plugging Back Casing Repair Altering Casing Other	Change of Plans New Construction Non-Routine Fracturing Water Shut-Off Conversion to Injection Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)	

Plan to plug well by pumping 43 cu. ft. Class B cement down casing to completely fill from surface to 1343'.



RECEIVED BLM
92 FEB 25 AM IO: 08
019 FARMINGTON, N.M.

SEE ATTACHED FOR CONDUIDONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct			ADDDAVED
Signed John alifanela	Title	Operations Manager	APPROVED
(This space for Federal or State office use)	Title		Pate FEB 27 1992
Approved by	ride		AREA MANAGER

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.

^{13.} 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.)*

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT FARMINGTON RESOURCE AREA 1235 LA PLATA HIGHWAY FARMINGTON, NEW MEXICO 87401

Attachment to Notice of	Re: Permanent Abandonment
Intention to Abandon	Well: 1 Wayout

CONDITION'S OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal Leases."
- 2. With the Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 326-6201.
- 3. Blowout prevention equipment is required.
- 4. The following modifications to your plugging program are to be made (when applicable):

Office Hours: 7:45 a.m. to 4:30 p.m.

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. 15.6#/gal slurry weight is to be used when using class B neat cement or when CaCl2 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 withdrawl 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.

FORM APPROVED UNITED STATES Form 3160-5 Budget Bureau No. 1004-0135 (June 1990) DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 **BUREAU OF LAND MANAGEMENT** Lease Designation and Serial No. M 0558652A SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE 1. Type of Well 8. Well Name and No. Oil Gas Well PSA Wayout #1 2. Name of Operator 9. API Well No. Dugan Production Corp. 30-045-21908 3. Address and Telephone No. 10. Field and Pool, or Exploratory Area 325-1821 P.O. Box 420, Farmington, NM 87499 Wildest Pictured Cliffs 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 1450' FSL & 1000' FWL San Juan County, NM Sec. 5, T27N, R13W CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. TYPE OF ACTION TYPE OF SUBMISSION Change of Plans Notice of Intent Abandonment New Construction Recompletion Non-Routine Fracturing Subsequent Report Plugging Back Water Shut-Off Casing Repair Conversion to Injection Final Abandonment Noti Altering Casing Dispose Water (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13. 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.)* Plugged well as follows: 1. Establish rate 2 BPM @ 600 psi. Fill 2-7/8" casing with class "B" neat cement, 47 cu.ft. 2. Check cement top at 201. 3. Fill top of casing with cement, set dry hole marker. complete 8-21-92. Approved as to pluggling of the well both. Liability under bond to research that is surisce restoration is completed.

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*See Instruction on Reverse Side