

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993**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.

SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.

SF 078110

6. If Indian, Allotted or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Federal I #4

9. API Well No.

30 045 20397

10. Field and Pool, or Exploratory Area

Harper Hill FR Sand PC

11. County or Parish, State

San Juan, NM

1. Type of Well

☐ Oil
Well☒ Gas
Well☐ Other

2. Name of Operator

Dugan Production Corp.

3. Address and Telephone No.

P.O. Box 420, Farmington, NM 87499 (505) 325 - 1821

Location of Well (Footage, Sec., T., R., M., or Survey Description)

1100' FNL & 1600' FWL
Sec. 1, T29N. R14W, NMPM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
- ☐ Subsequent Report
- ☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
- ☐ Recompletion
- ☐ Plugging Back
- ☐ Casing Repair
- ☐ Altering Casing
- ☒ Other Continuation of Long Term Shut In
- ☐ 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.)

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.)

Request continuation of long-term shut-in.

The Federal I No. 4 was producing ± 45 mcf/d; however was shut in upon completing the Federal I No. 4R, since both wells share a common spacing unit comprising the NW/4 and statewide rules will not allow multiple wells to be produced. We have discussed options to allow both wells to produce, and the NMOCD has advised that pool rules will need to be established. This will require proper notification, a formal hearing before the NMOCD, and a subsequent order allowing multiple wells to be produced from a common spacing unit in the Harper Hill Fruitland Sand-Pictured Cliffs Gas Pool. We are also considering similar pool rule modifications in other Fruitland Sand-Pictured Cliffs gas pools in which we have similar situations of multiple wells within a common spacing unit. We request that the BLM approve an extension to the long-term shut in which will allow us additional time to secure regulatory approval to produce multiple wells within a common Harper Hill Fruitland Sand-Pictured Cliffs spacing unit.

THIS APPROVAL EXPIRES AUG 01 2003

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

Signed

John D. Roe
John D. Roe

Title

Engineering Manager

Date

7/23/2002

(This space for Federal or State office use)

Approved by

Original Signed: Stephen Mason

Title

Date

7/26/02

Conditions of approval, if any:

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.

*See Instruction on Reverse Side

NMOCD