



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Sundry Print Report

01/03/2022

Well Name: BILLARY	Well Location: T25N / R8W / SEC 31 / SWSW / 36.353948 / -107.727833	County or Parish/State: SAN JUAN / NM
Well Number: 90	Type of Well: OTHER	Allottee or Tribe Name:
Lease Number: NMNM56311	Unit or CA Name:	Unit or CA Number:
US Well Number: 300453024800S1	Well Status: Producing Gas Well	Operator: DUGAN PRODUCTION CORPORATION

Notice of Intent

Sundry ID: 2644705

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 11/17/2021

Time Sundry Submitted: 11:14

Date proposed operation will begin: 12/14/2021

Procedure Description: Dugan Production plans to plug and abandon the well per the following procedure: 1) Run 4-1/2" casing scraper to 1940'. RIH & set 4-1/2" CIBP @ 1912'. Fruitland Coal perforations @ 1962'-1972'. Load hole. Pressure test casing to 600 psi. Run CBL from 1912' to surface. 2) Spot inside Plug I above CIBP @ 1912' w/30 sks (34.5 cu ft) Class G neat cement to 1586' (15.8#/gal, 1.15 cu ft/sk). Plug I, 1586'-1912', Fruitland, 30 sks (34.5 cu ft) inside 4-1/2" casing. 3) Spot inside Plug II from 1296' w/18 sks Class G neat cement (20.7 cu ft) to 1120'. Plug II, Kirtland-Ojo Alamo, 18 sks (20.7 cu ft) inside 4-1/2" casing. 4) Spot inside Plug III from 180' to surface w/18 sks Class G neat cement (20.7 cu ft). Plug III, surface-180', 18 sks (20.7 cu ft) inside 4-1/2" casing. 5) Cut wellhead off. Fill casing w/cement in case needed. 6) Install dry hole marker. Clean location.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Billary_90_Planned_PA_Formation_Tops_20211228091846.pdf

Billary_90_Planned_PA_Procedure_20211228091832.pdf

Billary_90_pre_reclamation_photo_1_20211117131708.pdf

Billary_90_pre_reclamation_photo_2_20211117131708.pdf

Billary_90_Reclamation_Plan_20211117131707.pdf

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US Well Number: 300453024800S1	Well Status: Producing Gas Well	Operator: DUGAN PRODUCTION CORPORATION

Billary_90_planned_PA_wellbore_schematic_20211117111159.pdf

Billary_90_planned_PA_current_wellbore_schematic_20211117111159.pdf

Conditions of Approval

Specialist Review

General_Requirement_PxA_20220103145006.pdf

Billary_90_Geo_Rpt_20220103144939.pdf

2644705_NOIA_90_3004530248_KR_12212021_20220103144923.pdf

Additional Reviews

2644705_NOIA_90_3004530248_KR_12212021_20211221171121.pdf

General_Requirement_PxA_20211221171047.pdf

Operator Certification

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: TYRA FEIL

Signed on: DEC 28, 2021 09:19 AM

Name: DUGAN PRODUCTION CORPORATION

Title: Authorized Representative

Street Address: PO Box 420

City: Farmington

State: NM

Phone: (505) 325-1821

Email address: tyrafeil@duganproduction.com

Field Representative

Representative Name: ALIPH REENA

Street Address: PO BOX 420

City: FARMINGTON

State: NM

Zip: 87499-0420

Phone: (505)325-1821

Email address: aliph.reena@duganproduction.com

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647742

BLM POC Email Address: krennick@blm.gov

Disposition: Approved

Disposition Date: 01/03/2022

Signature: Kenneth Rennick

Well Name: BILLARY

Well Location: T25N / R8W / SEC 31 /
SWSW / 36.353948 / -107.727833

County or Parish/State: SAN
JUAN / NM

Well Number: 90

Type of Well: OTHER

Allottee or Tribe Name:

Lease Number: NMNM56311

Unit or CA Name:

Unit or CA Number:

US Well Number: 300453024800S1

Well Status: Producing Gas Well

Operator: DUGAN
PRODUCTION CORPORATION

CONFIDENTIAL

**Formation Tops
Billary # 90
30-045-30248, Basin Fruitland
1280' FSL & 1130' FWL
S31 T25N R8W, San Juan County**

- Nacimiento: Surface
- Ojo Alamo: 1170'
- Kirtland: 1246'
- Fruitland: 1636'
- Pictured Cliffs: 1973'

Planned P & A Procedure

Billary # 90

30-045-30248, Basin Fruitland

1280' FSL & 1130' FWL

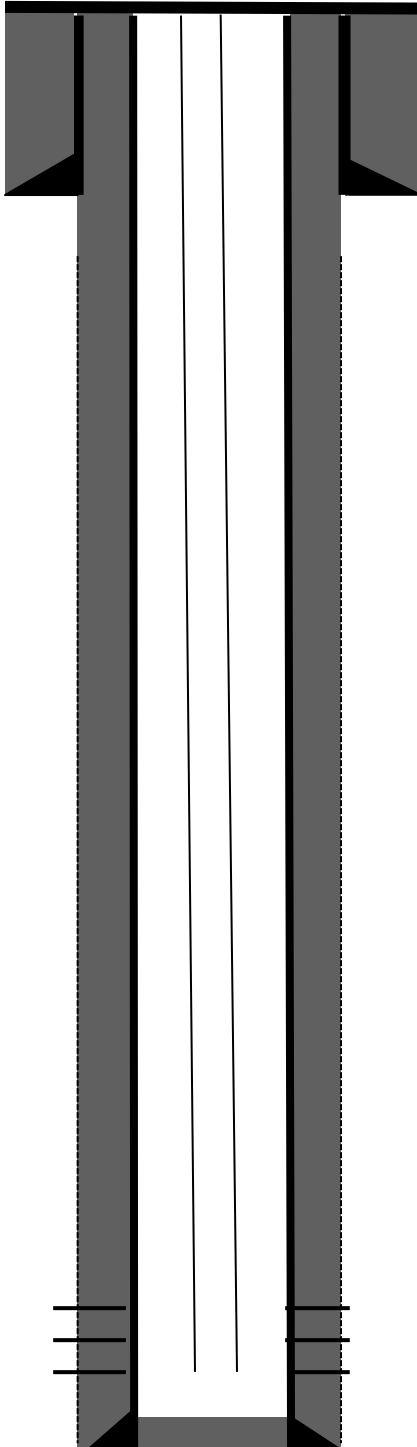
S31 T25N R8W, San Juan County

Dugan production plan to plug and abandon the well per the following procedure.

- Run 4 ½" Casing scrapper to 1940'. RIH & Set 4 ½" CIBP @ 1912'. Fruitland coal perforations @ 1962'-1972'. Load hole. Pressure test casing to 600 psi. Run CBL from 1912' to surface.
- Spot Inside plug I above CIBP @ 1912' w/ 30 sks (34.5 cu.ft) Class G neat cement to 1586'. (15.8 #/gal, 1.15 cu.ft/sk). Plug I, 1586'-1912', Fruitland, 30 sks (34.5 Cu.ft) Inside 4 ½".
- Spot Inside plug II from 1296' w/ 18 sks Class G neat cement (20.7 cu.ft) to 1120'. Plug II, Kirtland - Ojo Alamo, 18 sks (20.7 Cu.ft), Inside 4 ½".
- Spot Inside plug III from 180' to surface w/ 18 sks Class G neat cement (20.7 cu.ft). Plug III, Surface-180', 18 sks (20.7 Cu.ft), Inside 4 ½".
- Cut Wellhead off. Fill casing w/ cement incase needed.
- Install dryhole marker. Clean location.

Current Wellbore Schematic

Billary # 90
30-045-30248, Basin Fruitland
1280' FSL & 1130' FWL
S31 T25N R8W, San Juan County



7" 23# J-55 casing @ 130'. Cemented with 70.8 Cu.ft Class B.
Circulated 5 bbls cement to surface. Hole size 9-7/8".

4 1/2" 10.5# casing @ 2097'. Hole size: 6-1/4"

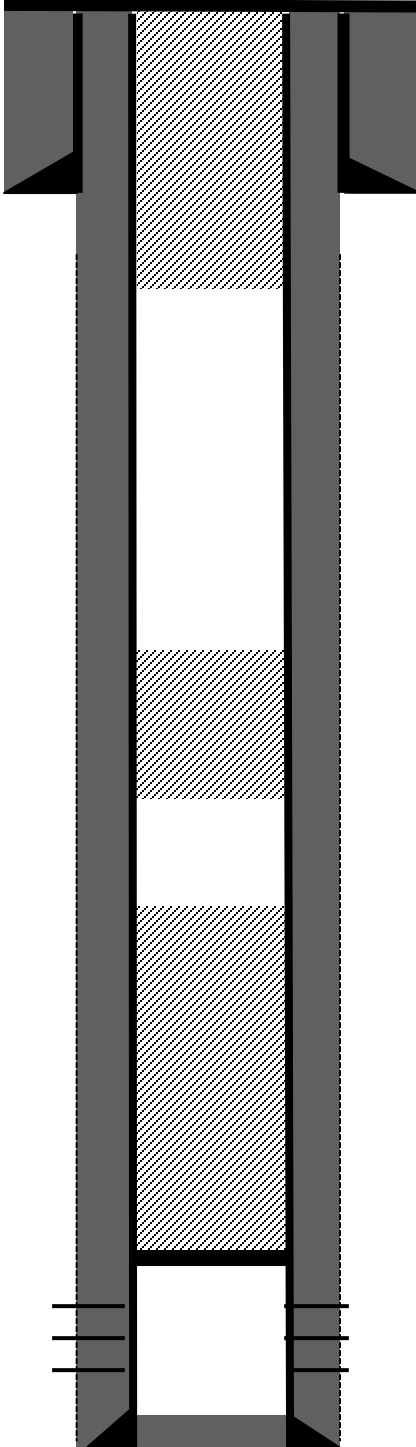
Cement production casing w/ 247 cu.ft Class B 2% Lodense followed by 94
cu.ft Class B. Total 341.6 Cu.ft slurry. Circulated 4 bbls cement to surface.

2-3/8", 4.7# J-55 tubing to 2010' EOT

Fruitland Coal Perforated @ 1962' - 1972'

PBTD @ 2071', TD 2100'

Billary # 90
30-045-30248, Basin Fruitland
1280' FSL & 1130' FWL
S31 T25N R8W, San Juan County



PBTD @ 2071', TD 2100'

BLM - FFO - Geologic Report

Date Completed 12/16/2021

Well No. Billary # 90 Surf. Loc. 1280 FSL 1130 FWL
Sec. 31 T25N R8W

Lease No. NMNM56311

Operator Dugan Production Co County San Juan State New Mexico
TVD 2100 PBTD 2100 Formation Lybrook Gallup
Elevation GL 6742 Elevation Est. KB 6756

Geologic Formations	Est. tops	Subsea Elev.	Remarks
Nacimiento Fm.	Surface	6742	Surface /fresh water sands
Ojo Alamo Ss	1170	5586	Fresh water aquifer
Kirtland Fm.	1400	5356	
Fruitland Fm.	1636	5120	Coal/gas/possible water
Pictured Cliffs	1973	4783	Possible water
		0	

Remarks:

- Vertical wellbore, all formation depths are TVD from KB. Please note these depths are estimates.
- The Plug 1 TOC must be moved to 1536' because of the 50' required excess.
- The Plug 2 base must be moved to 1450' and the TOC to 1070' because of the BLM tops and 50' required excess.
- The P&A package submitted in AFMSS 2 was missing the Operators formation top picks and a downloadable P&A procedure.

Reference Well:

1) Century Exploration
Mobile Federal 6
900' FNL, 900' FWL
Sec 6D,T24N, R8W
GL= 6652', KB= 6664

Prepared by: Walter Gage

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

AFMSS 2 Sundry ID 2644705

Attachment to notice of Intention to Abandon

Well: Billary 90

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence at (505) 564-7750.
3. The following modifications to your plugging program are to be made:
 - a) Plug 1: Top of cement must be moved to 1536 to have 50 feet of cement excess.
 - b) Plug 2: Bottom of cement must be moved to 1450 feet and top must be 1070 feet to cover BLM tops for the Kirtland and the Ojo Alamo Sandstone with 50 feet excess.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

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

K. Rennick 12/21/2021

**GENERAL REQUIREMENTS FOR
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES
FARMINGTON FIELD OFFICE**

1.0 The approved plugging plans may contain variances from the following minimum general requirements.

- 1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.
- 1.2 Requirements may be added to address specific well conditions.
- 2.0 Materials used must be accurately measured. (densometer/scales)
- 3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.
 - 3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.
- 4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
 - 4.1 The cement shall be as specified in the approved plugging plan.
 - 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.3 Surface plugs may be no less than 50' in length.
 - 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.
 - 4.6 A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.

5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

- 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.
- 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.
- 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.
- 5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

- 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
- 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H₂S.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.

9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. 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.

(October 2012 Revision)

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 70004

CONDITIONS

Operator: DUGAN PRODUCTION CORP PO Box 420 Farmington, NM 87499	OGRID: 6515
	Action Number: 70004
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	1/6/2022
kpickford	Adhere to BLM COAs and plugs. See GEO report	1/6/2022