

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOCD Received
4/29/2020FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: COAL BED METHANE		5. Lease Serial No. N00C14207472
2. Name of Operator DJ SIMMONS INC		6. If Indian, Allottee or Tribe Name EASTERN NAVAJO
3a. Address FARMINGTON, NM 87401		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 720-550-7507 Ext: 105		8. Well Name and No. DA ON PAH 1R
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 35 T27N R12W SENE 1725FNL 1300FEL		9. API Well No. 30-045-30813-00-S1
		10. Field and Pool or Exploratory Area BASIN FRUITLAND COAL
		11. County or Parish, State SAN JUAN COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

PER 1/15/2020 EMAIL FROM JOHN HOFFMAN, THE BELOW SUNDRY IS BEING RESUBMITTED TO INCLUDE A RECLAMATION PLAN WHICH WAS PREVIOUSLY SENT UNDER NOI SUNDRY NOTICE #EC499021.

On 4/1/2019, DJ Simmons submitted a NOI sundry notice (EC #459815, attached) requesting approval to P&A the Da On Pah #1R, API 30-045-30813. Per Alberta Wethington with the BLM-Farmington FO, the sundry was returned to DJ Simmons for incompleteness.

Subsequently, Mustang Resources became the record title owner and on 1/13/2020 was made aware of the returned sundry notice. Mustang intends to carry forward with the P&A in spring 2020 and respectfully requests approval of the attached plan. A reclamation plan was submitted on 1/14/2020 under separate sundry notice (EC#499021).

Notify NMOCD 24hrs
Prior to beginning
operations

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #499343 verified by the BLM Well Information System For DJ SIMMONS INC, sent to the Farmington Committed to AFMSS for processing by JOE KILLINS on 02/07/2020 (20JK0113SE)	
Name (Printed/Typed) DEB LEMON	Title REGULATORY MANAGER
Signature (Electronic Submission)	Date 01/15/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JOE KILLINS	Title PETROLEUM ENGINEER	Date 03/03/2020
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office Farmington

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.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

AV

Additional data for EC transaction #499343 that would not fit on the form

32. Additional remarks, continued

The attached plan includes:

- 1)Current Wellbore diagram
- 2)P&A Proceudre
- 3)Post P&A Wellbore diagram

THERE ARE NO KNOWN WELLBORE INTEGRITY ISSUES.

Da On Pah 1R

Location: Surface: 1725' FNL, 1300' FEL,
Sec 35, T27N, R12W, San Juan
County, New Mexico

Field: Basin FC

Zone: Fruitland Coal

API #: 30-045-30813

Spud Date: May 28, 2008

Lat/Long: 36.5341682, -108.0764618 NAD83

Driving Directions:
South of Bloomfield, NM 12 miles on SH 550 to CR 7100. SW on CR 7100 for 5 1/2 miles to CR 7115. Turn right to NW for 2 4/10ths mile on CR 7115. Turn left through CG and travel lease road for 1/2 mile westerly around irrigation circle to location on the left.

TOC @ 734' (TS)

Top of FC: 1368'

FC perms: 1337' - 1352', 3 spf, 45 holes
Frac w/100,000# of 20/40 Super LC and 20# xlinked Borate gel

Tubing as of 7/27/2010
2-3/8" X 1-3/4" X 8' X 11' THEC (CDI)
54 ea 3/4" plain
1 ea 4', 6', 8' pony rods

SN @ 1352'
2 3/8" @ 1386' KB

4 1/2" 11.6# J55 LTC Prod csg @ 1535' w/ 145 sx

PBTD @ 1491'
TD @ 1550'

Da On Pah #1R

Plug to Abandon Procedure:

- 1) Back drag and clean location for crew & rig safety. Find anchors and have them tested and certified. Arrange for fresh water on location for mud.
- 2) Prior to rig, verify wellhead connections for any flanges, DSA's and BOPE necessary.
- 3) **Notify BLM and NMOCD 48 hours before commencing rig**
- 4) Move in well service unit and rig up with associated plugging equipment.
- 5) Kill well, if necessary with produced water (well likely at low to no pressure). Fill 400 bbl tank with produced water for kill operations to be used as necessary. Keep well under control at all times. Hole may not load.
NOTE: The Fruitland Coal is the open completion with low to no pressure.
- 6) Bleed pressure off well. Trip out of hole laying down rods and pump. This is a tubing pump, not an insert. Nipple down wellhead and nipple up BOP.
- 7) Trip out of hole with 2 3/8" tbg landed at 1386'.
- 8) P/U work-string if existing tubing is in bad shape. RIH with 4-1/2" bit and all weight scraper in tandem to top perms (1,337')
- 9) Trip out of hole. LD scraper and bit.
- 10) P/U and RIH with cement retainer. Set retainer within 50' top perf (approx 1,290')
- 11) Test tubing to check integrity. Sting out of retainer. Circulate hole clean. SI casing and pressure test to 500 psi.
- 12) **Fruitland Coal Perfs 1337'-1352' Plug #1:** Circulate cement to end of tubing and sting into retainer, inject 16 sx (18 cuft) 15.8 ppg at 1.15cuft/sx cement below retainer filling casing to bottom perf and injecting 11sx into formation, sting out of retainer and spot 10 sx (12 cuft) cement at 15.8 ppg 1.15 cuft/sx on top to 1160'+/-. Total 26sx plug of 192' from 1352' to 1160'.
- 13) Trip out of hole laying down tubing to 1150'+/-
- 14) Mix 11.4 barrels inhibited water to spot from 1150'+/- to 450'+/-.
- 15) Trip out laying down tubing to surface.
- 16) Perforate squeeze holes at 450'.
- 17) Rig up on casing to establish circulation through perforations and bradenhead to surface.

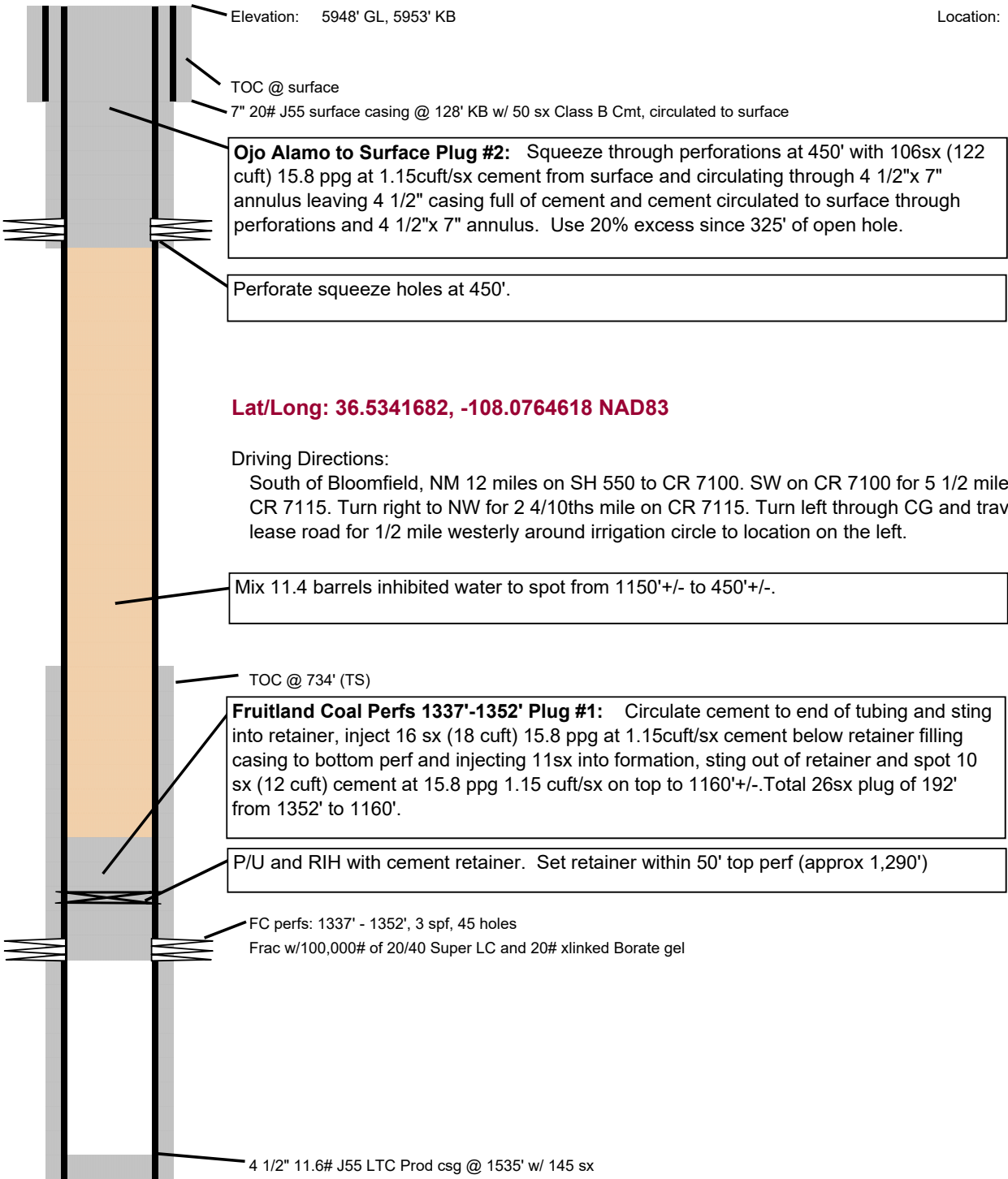
Da On Pah #1R

Plug to Abandon Procedure:

- 18) **Ojo Alamo to Surface Plug #2:** Squeeze through perforations at 450' with 106sx (122 cuft) 15.8 ppg at 1.15cuft/sx cement from surface and circulating through 4 1/2"x 7" annulus leaving 4 1/2" casing full of cement and cement circulated to surface through perforations and 4 1/2"x 7" annulus. Use 20% excess since 325' of open hole.
- 19) Cut off casing, top off all annuli and bell hole with cement and install marker as indicated in stipulations.
- 20) Remove equipment and remediate location as indicated in lease agreements, conditions of approval and stipulations.

Da On Pah 1R

Location: Surface: 1725' FNL, 1300' FEL,
Sec 35, T27N, R12W, San Juan
County, New Mexico



PBTD @ 1491'
TD @ 1550'

DA ON PAH 1R SURFACE RECLAMATION PLAN

Mustang Resources, LLC / October 22, 2019



Mustang Resources, LLC (Mustang) intends to Plug and Abandon (P&A) the Da On Pah 1R (API No. 30-045-30813) natural gas well. The well and associated pad are in the SENE corner of Section 35, Township 27 North, Range 12 West. The following steps will be taken to reclaim existing surface disturbances to meet Bureau of Land Management (BLM), Federal Indian Minerals Office (FIMO), Navajo Agricultural Products Industry (NAPI) and New Mexico Oil Conservation Division (NMOCD) site stabilization and ecosystem reconstruction requirements. The attached Figure 1 identifies the existing surface disturbance area (subject area).

Access to the subject area is via established roads on both Federal and Navajo Nation lands. Mustang anticipates beginning this work upon BLM and FIMO approval and outside of access limitations including impeding weather. It is anticipated that reclamation work will not result in additional disturbances; however, Mustang will notify the BLM and FIMO immediately upon discovery.

48 hour notification will be given to NAPI, FIMO and BLM prior to work.

NAPI

Alysse Pablo
505-566-2600
apablo@navajopride.com>

FIMO

Annette Ahill
505-564-7651
annette.ahill@bia.gov

BLM- Farmington Field Office

Roger Herrera
505-564-7600
rherrera@blm.gov

Manage Waste Materials

1. All surface equipment including above ground tanks, debris, anchors and undesirable materials within the subject area will be removed and managed per acceptable processes.
2. The meter run will be removed above and below ground.
3. All below grade flowlines will be removed to a minimum of 6 feet below graded surface.
4. The P&A marker will be removed to a minimum of 6 feet below graded surface to avoid interference with farming equipment (within NAPI/NIIP boundaries and between NAPI fields).
5. Gravel will be removed from the subject site.

Reestablish Slope Stability, Surface Stability, and Desired Topographic Diversity

1. Reclamation shall blend into the existing contour of the surrounding terrain and best match pre-disturbance topography and consistent with land use plans for the impacted area.
2. The access road will not be reclaimed to allow NAPI access.
3. Re-contour and stabilizing disturbed surface areas to approximately the original contour shape and configuration that existed prior to construction.
4. Employ surface-roughening or other techniques including discing and ripping to a minimum of 5 inches below graded surface.

Establish Desired Self-Perpetuating Native Plant Community

1. Per NAPI's request, the subject area will not be reseeded.

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

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Da On Pah 1R

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 (505) 564-7750.
3. Run CBL after setting CR. Submit electronic copy of the CBL for verification to the following addresses: jkillins@blm.gov and Brandon.Powell@state.nm.us . Based on CBL results inside/outside plugs and volumes will be adjusted accordingly. Please review the General Requirements document to ensure volumes meet required excess inside and outside casing.
4. BLM picks top of Fruitland at 993' md. Modify plug 1 to place plug top at 943' md excluding required excess.

BLM FLUID MINERALS Geologic Report

Date Completed: 1/21/20

Well No.	Da On Pah #1R	Location	1725'	FNL	&	1300'	FEL
Lease No.	N00C14207472	Sec. 35	T27N			R12W	
Operator	Mustang Resources LLC	County	San Juan		State	New Mexico	
Total Depth	1550'	PBTD 1491'	Formation Basin Fruitland Coal				
Elevation (GL)	5948'	Elevation (KB) 5960' (est.)					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					
Nacimiento Fm			Surface	134'	Surface/Fresh water sands
Ojo Alamo Ss			134'	290'	Aquifer (fresh water)
Kirtland Shale			290'	993'	
Fruitland Fm			993'	1340'	Coal/Gas/Possible water
Pictured Cliffs Ss			1340'		Gas
Lewis Shale					
Chacra (Upper)					Probable water or dry
La Ventana Tongue					Probable water or dry
Cliff House Ss					Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos Shale					Source rock
Gallup					O&G/Water
					O&G/Water

Remarks:

P & A

- Log analysis of reference well #2 (attached worksheet) indicates the Ojo Alamo contains fresh water ($\leq 5,000$ ppm TDS) and the Nacimiento contains useable water ($\leq 10,000$ ppm TDS) behind the surface casing.

- Please ensure that the tops of the Pictured Cliffs and Fruitland formations, as well as the entire Ojo Alamo aquifer, identified in this report, are isolated by proper placement of cement plugs. This will protect the freshwater sands in this well bore.

- BLM geologist's picks for the top of the Ojo Alamo, Kirtland, and Fruitland formations vary from operator's picks in this well.

Reference Well:

1) Mustang Resources Fm. Tops
Same

2) Nassau Resources Water
Nassau # 1 Analysis
790' FNL, 910' FEL
Sec 36, T27N, R12W
GL 6029', KB 6042'

Prepared by: Walter Gage

Nassau Resources
Nassau H-1
790' FNL, 910' FEL
Sec. 36, 27N-12W
GL 6029' KB 6042

