

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM 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. I149IND7971
2. Name of Operator DJR OPERATING LLC		6. If Indian, Allottee or Tribe Name EASTERN NAVAJO
Contact: SHAW-MARIE FORD E-Mail: sford@djrlc.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 1 ROAD 3263 AZTEC, NM 87410	3b. Phone No. (include area code) Ph: 505-632-3476	8. Well Name and No. BUENA SUERTE 29 M 1T
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T26N R11W SWNW 1785FNL 1195FWL		9. API Well No. 30-045-32649-00-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.

DJR requests permission to Plug & Abandon the subject well per the attached Procedure, Current & Proposed Wellbore Diagram and Reclamation Plan.

Notify NMOCD 24hrs  
Prior to beginning  
operations

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #520458 verified by the BLM Well Information System</b> <b>For DJR OPERATING LLC, sent to the Farmington</b> <b>Committed to AFMSS for processing by HEATHER PERRY on 07/07/2020 (20HCP0014SE)</b>	
Name (Printed/Typed) SHAW-MARIE FORD	Title REGULATORY SPECIALIST
Signature (Electronic Submission)	Date 06/26/2020

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <u>JOE KILLINS</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>08/17/2020</u>
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 <u>Farmington</u>

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

**DJR Operating, LLC**  
**Current Wellbore Diagram**

**Buena Suerte 29M # 1T**

API # 30-045-32649

SW/NW, Unit E, Sec 29, T26N, R11W  
 San Juan County, NM

GL 6104'

KB N/A

Spud Date 11/28/2005

**SURF CSG**

Hole size 8.75"  
 Csg Size: 7"  
 Wt: 20#  
 Grade: J-55  
 ID: 6.456"  
 Depth 134'  
 casing cap ft<sup>3</sup>/ft: 0.2273  
 TOC: Circ cmt  
 to surface

**FORMATION TOPS**

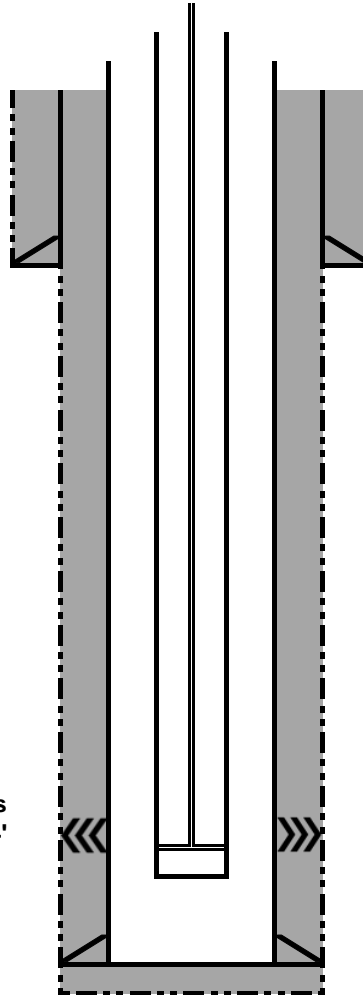
	Nacimiento	Surface
	Ojo Alamo	275'
	Kirtland	372'
	Fruitland Coal	1078'
	Pictured Cliffs	1247'

**PROD CSG**

Hole size 7.875"  
 Csg Size: 4.5"  
 Wt: 10.5#  
 Grade: J-55  
 ID: 4.052"  
 Depth 1397'  
 casing cap ft<sup>3</sup>/ft: 0.0895  
 7x4.5 cap ft<sup>3</sup>/ft 0.1169  
 TOC: Circ cmt  
 to surface

Fruitland Coal perms  
 1214'-1234'

PBTD 1355'  
 TD 1401'



**Production Tubing/Rod Detail**

1 jt. 2.375" tbg, SN, 2.375" tbg. +/- 1275'

2"x1.5"x12' RWAC, 4' stabilizer sub, 3 K bars, 45x.75" plain rods, 16' polished rod with 10' liner.

**DJR Operating, LLC**  
**Proposed Wellbore Diagram**

**Buena Suerte 29M # 1T**

API # 30-045-32649

SW/NW, Unit E, Sec 29, T26N, R11W  
San Juan County, NM

GL 6104'

KB N/A

Spud Date 11/28/2005

**SURF CSG**

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Csg Size: 7"  
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Grade: J-55  
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Depth 134'  
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TOC: Circ cmt  
to surface

**FORMATION TOPS**

Nacimiento	Surface
Ojo Alamo	275'
Kirtland	372'
Fruitland	1078'
Pictured Cliffs	1247'

**Plug 2:** 1180' to surface, to cover  
Fruitland, Kirtland, Ojo Alamo, surface  
shoe.

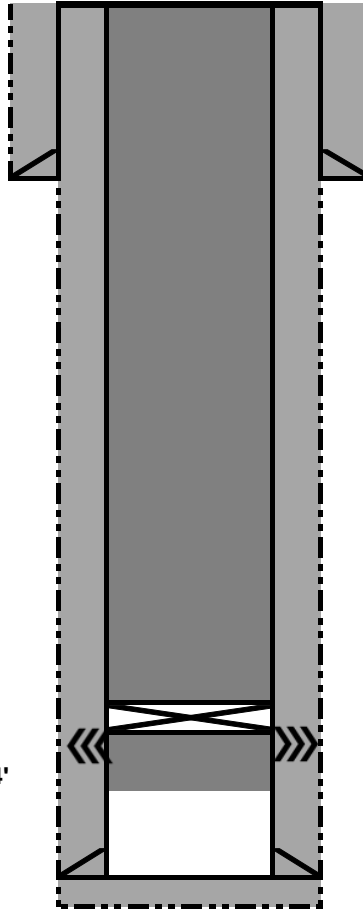
**PROD CSG**

Hole size 7.875"  
Csg Size: 4.5"  
Wt: 10.5#  
Grade: J-55  
ID: 4.052"  
Depth 1397'  
casing cap ft3/ft: 0.0895  
7x4.5 cap ft<sup>3</sup>/ft 0.1169  
TOC: Circ cmt  
to surface

Cement Ret. 1180'

1214'-1234'

COTD 1355'  
TD 1401'



**Plug and Abandonment Procedure**  
**for**  
**DJR Operating, LLC**  
**Buena Suerte 29M # 1T**  
**API # 30-045-32649**  
**SW/NW, Unit E, Sec. 29, T26N, R11W**  
**San Juan County, NM**

**I.**

1. Hold pre-job meeting, comply with all NMOCD, BLM and environmental regulations.
2. Check and record tubing, casing and bradenhead pressures.
3. Remove existing piping from casing valve, RU blow lines from casing valves and blow down casing pressure. Kill well as necessary. Ensure that well is dead or on a vacuum.
4. Trip out of hole with rods and pump. Lay down to be sent in for storage/salvage.
5. ND WH, NU BOP, function test BOP.
6. Trip out of hole with 2 3/8" tubing. LD tubing to be sent in for storage/salvage.

**II.**

7. PU workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 1180'. TOOH.
8. PU and RIH with a 4 1/2" cement retainer. Set the CR at +/- 1180'. Pressure test tubing to 1000 psi, sting out of CR, test casing to 600 psi. If casing does not test, contact engineering.

**Provided that casing test was good, proceed to step 9.**

9. RU cement equipment. Pump water to assure that tubing is clear.
10. Plug 1. Mix and attempt to pump 10 sx class G cement through cement retainer and displace with 4.6 bbl water. If zone pressures up, sting back out of retainer and continue with Plug 2.

11. Plug 2. Fruitland, Kirtland, Ojo Alamo, and surface casing shoe. From 1180' to surface, mix and pump cement until cement circulation is achieved at surface.
12. RD cementing equipment. Cut off wellhead, fill annuli with cement as necessary. Install P&A marker as per regulatory requirements. Record GPS coordinates for P&A marker and the final P&A report. Photograph the P&A marker and attach to the report.
13. RD and MO all rig and cement equipment. Assure that location is free of trash and contamination before moving off.
14. Send all reports and attachments to DJR Aztec office for regulatory filings.

**Note: All cement is to be class G cement mixed at 15.8 ppg, yield 1.15 cu ft/sx. Cement volumes are based on inside capacities + 50' excess and outside capacities + 100% excess.**

# BLM FLUID MINERALS Geologic Report

**Date Completed:** 8/14/20

Well No.	Buena Suerte 29M # 1T	Location	1785'	FNL	&	1195'	FWL
Lease No.	I149IND7971	Sec. 29	T26N				R11W
Operator	DJR Operating LLC	County	San Juan	State		New Mexico	
Total Depth	1401'	PBTD 1401'	Formation	Basin Fruitland Coal			
Elevation (GL) 6104'			Elevation (KB) 6116' (est.)				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					
Nacimiento Fm			Surface	200'	Surface/Fresh water sands
Ojo Alamo Ss			200'	372'	Aquifer (fresh water)
Kirtland Shale			372'	996'	
Fruitland Fm			996'	1247'	Coal/Gas/Possible water
Pictured Cliffs Ss			1247'		Gas
Lewis Shale					
Chacra					Probable water or dry
Cliff House Ss (main)					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
Dakota					O&G/Water

**Remarks:**

P & A

- The proposed plugging plan, if executed as presented, will adequately protect the freshwater sands in this well bore.

- 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.

**Reference Well:**

1) DJR Operating Fm. Tops  
Same

**Prepared by:** Walter Gage

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**

Well: BUENA SUERTE 29 M 1T

API: 30-045-32649-00-S1

**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. If casing fails to test contact BLM Engineering. No changes are to be made to this approved Sundry without prior approval from the BLM.
4. A Subsequent Report Sundry Notice (Form 3160-5) must be submitted within 30 days after plugging operations are complete.

**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 H<sub>2</sub>S.

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.