Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018 5. Lease Serial No.

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an

6. If Indian, Allottee or Tribe Name

NMSF078056

abandoned we	EASTÉRN NAVAJO								
SUBMIT IN	7. If Unit or CA/Agreement, Name and/or No. NMNM87089								
Type of Well Oil Well	8. Well Name and No. BISTI COAL 8 COM 1								
Name of Operator DJR OPERATING LLC	9. API Well No. 30-045-28328-00-S1								
3a. Address 1 ROAD 3263 AZTEC, NM 87410	3b. Phone No. (include area code) Ph: 505-632-3476			10. Field and Pool or Exploratory Area BASIN FRUITLAND COAL					
4. Location of Well (Footage, Sec., T Sec 8 T25N R12W SWNE 170 36.418121 N Lat, 108.131332	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								
☑ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice	☐ Acidize ☐ Alter Casing ☐ Casing Repair ☐ Change Plans ☐ Convert to Injection	 □ Deepen □ Hydraulic Fracturing □ New Construction ☑ Plug and Abandon □ Plug Back 	☐ Production (Start/Resume) ☐ Reclamation ☐ Recomplete ☐ Temporarily Abandon ☐ Water Disposal		□ Water Shut-Off□ Well Integrity□ Other				
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 recomplete 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/BLA. Required subsequent reports must be filed within 30 days.									

following completion of the involved operations. If the operation results in a multiple completion or recompletion 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

KP 11/6/2020

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

determined that the site is ready for final inspection.

Notify NMOCD 24hrs Prior to beginning operations

14. I hereby certify that the foregoing is true and correct. Electronic Submission #518097 verified by the BLM Well Information System For DJR OPERATING LLC, sent to the Farmington Committed to AFMSS for processing by HEATHER PERRY on 06/25/2020 (20HCP0009SE) Name (Printed/Typed) SHAW-MARIE FORD Title REGULATORY SPECIALIST							
Traine (1 Timew 1 ypeu)	SHAW-WARIE FORD	Title	REGULATORT SPECIALIST				
Signature	(Electronic Submission)	Date	06/08/2020				
THIS SPACE FOR FEDERAL OR STATE OFFICE USE							
_Approved By_JOE KILLINS		TitleF	ETROLEUM ENGINEER	Date 10/14/2020			
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.							

Plug and Abandonment Procedure

for

DJR Operating, LLC Bisti Coal 8 Com 1 API # 30-045-28328

SW/NE, Unit G, Sec. 8, T25N, R12W

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 1050'. TOOH.
- 8. PU and RIH with a 4 ½" cement retainer. Set the CR at +/- 1050". 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 5.1 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 1050' 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.

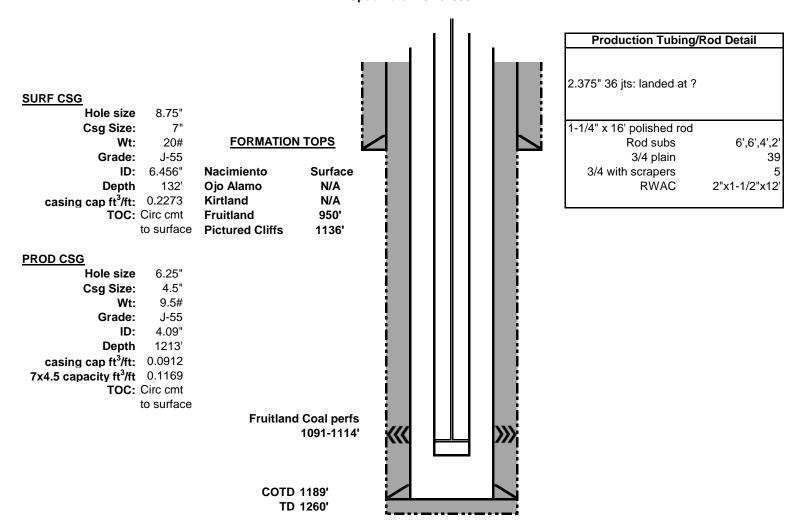
DJR Operating, LLC

Current Wellbore Diagram

Bisti Coal 8 Com 1

API # 30-045-28328 SW/NE, Unit G, Sec 8, T25N, R12W San Juan County, NM

GL 6184' KB N/A Spud Date 11/14/1990

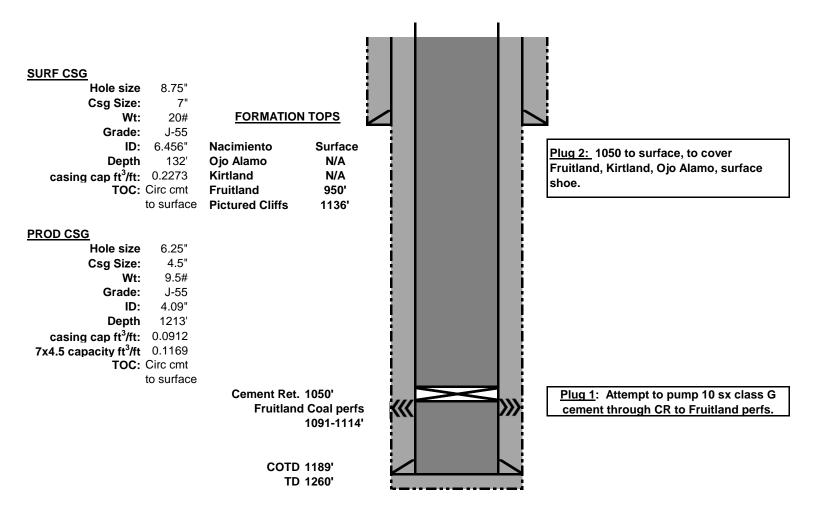


DJR Operating, LLC Proposed Wellbore Diagram

Bisti Coal 8 Com 1

API # 30-045-28328 SW/NE, Unit G, Sec 8, T25N, R12W San Juan County, NM

GL 6184' KB N/A Spud Date 11/14/1990



General Reclamation Plan Narrative

On March 12, 2020 an onsite to discuss surface reclamation plan was conducted with attendees Randy McKee of the BLM FFO, DJR representatives, Vance Hixon and Tim Huerter.

Reclamation work will begin in 2020 (date to be determined), and after submitted approved plugging Sundry. Notification will be provided via e-mail or by phone to Randy McKee, rmckee@blm.gov and cell 505-793-1834, 48 hours prior to starting dirt work.

The following was discussed:

All fences (if any), production equipment, concrete slabs, anchors, flow lines (within pad area) risers if any (cut off at pipeline depth), tanks, will be removed off the DRJ pad and will be disposed of at the proper facilities. Any debris and trash on the well site and 100' around the outside of the well site perimeter will be removed and disposed of at the proper facility. There is a 2' pipeline running of the pad to the northeast for approximately 2500' which will need to be removed when the equipment is stripped. There is also a pumping unit pad next to the main road that needs to be removed. Also there are two drop poles on the south side of the pad that need to be removed.

Well site piping risers will be cut off 3' below grade, where the piping depth is less than 3' that piping will be removed from the ground. There is a meter building on location, the pipeline riser will be cut off below grade.

Re-contouring will consist of moving material from the fill on the south side of the location to north side of the location to the fill area of the pad. The access road is approximately 250' and is at grade. After the dirt work is complete and topsoil is distributed the disturbed areas will be seeded and mulched.

A barrier fence with signage will be installed to protect the reclaimed area.

All seed will be distributed via drill seeding. All ripping on the well site to loosen compacted soils and drill seeding will be done following the contours to minimize water erosion. All ripping on access roads and drill seeding will be done following the contours to minimize water erosion.

Straw mulch (i.e. barley, wheat, oat, etc.) will be uniformly applied and crimped on the reclaimed areas of the well site and access road.



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FARMINGTON DISTRICT OFFICE

6251 COLLEGE BLVD. FARMINGTON, NEW MEXICO 87402

Attachment to notice of Re: Permanent Abandonment

Intention to Abandon: EC#518097 Well: Bisti Coal 8 Com 1

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.