

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.5. Lease Serial No.
NMNM25449

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
BISTI GALLUP 22 159. API Well No.
30-045-34132-00-S110. Field and Pool or Exploratory Area
BISTI LOWER GALLUP

11. County or Parish, State

SAN JUAN COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

DJR OPERATING LLC

Contact: SHAW-MARIE FORD

E-Mail: sford@djrlc.com

3a. Address

1600 BROADWAY SUITE 1960
DENVER, CO 80202

3b. Phone No. (include area code)

Ph: 505-632-3476

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

Sec 22 T25N R12W SWSE 670FSL 1650FEL
36.381270 N Lat, 108.095560 W LonNMOCD REC'D
10/14/20

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.

KP

11/9/2020

Notify NMOCD 24hrs
Prior to beginning
operations

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

**Electronic Submission #520437 verified by the BLM Well Information System
For DJR OPERATING LLC, sent to the Farmington
Committed to AFMSS for processing by HEATHER PERRY on 07/06/2020 (20HCP0020SE)**

Name (Printed/Typed) SHAW-MARIE FORD

Title REGULATORY SPECIALIST

Signature (Electronic Submission)

Date 06/26/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USEApproved By JOE KILLINSTitle ENGINEERDate 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.

(Instructions on page 2)

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

AV

Plug and Abandonment Procedure
for
DJR Operating, LLC
Bisti Gallup 22-15
API # 30-045-34132
SW/SE, Unit O, Sec. 22, T25N, R12W
San Juan County, NM

I.

1. Hold Pre job meeting, comply with all NMOCD, BLM and environmental regulations.
2. MIRU prep rig.
3. Check and record tubing, casing and bradenhead pressures.
4. 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.
5. MIRU hot oil unit, pump hot water to clear rods and tubing of paraffin.
6. Trip out of hole with rods and pump. Lay down to be sent in for storage/salvage.
7. Unset TAC.
8. ND WH, NU BOP, function test BOP.
9. Trip out of hole with 2 3/8" tubing. LD tubing to be sent in for storage/salvage.
10. RDMO prep rig to next location.

II.

11. MIRU P&A rig and equipment.
12. PU workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 4720'. TOOH.

13. PU and RIH with a 4 ½” cement retainer. Set the CR at +/- 4720'. Pressure test tubing to 1000 psi, sting out of CR, test casing to 600 psi. If casing does not test, contact engineering.
14. Plug 1. Sting back into CR and attempt to mix and pump 20 sx class G cement through the CR into the Gallup perforations. If zone pressures up, sting out of CR and continue with plug 2.
15. Plug 2. Gallup; RU cement equipment, pump water to assure that tubing is clear. Mix and spot a 157' plug of Class G cement from 4720-4563'.
16. Plug 3. Mancos; Mix and spot a 100' balanced plug of Class G cement from 3770'-3670'.
17. Plug 4. Mesaverde; Mix and spot a 100' balanced plug of Class G cement from 1854'-1754'.
18. Plug 5. Chacra; Mix and spot a 100' balanced plug of Class G cement from 1505' to 1405'.
19. Plug 6; Pictured Cliffs, Fruitland, and Kirtland; spot a 654' balanced plug of Class G cement from 1171' to 517'.
20. Plug 7: Spot balanced plug from 440' to surface with Class G cement.
21. RD cementing equipment. Cut off wellhead, fill any exposed annulus 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.
22. RD and MO all rig and cement equipment. Assure that location is free of trash and contamination before moving off.
23. Send all reports and attachments to DJR Aztec office for regulatory filings.

Note: All cement is to be Class G 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.

Current Wellbore Diagram
DJR Operating, LLC
Bisti Gallup 22-15
 API # 30-045-34132
 SW/SE, Unit O, Sec 22, T25N, R12W
 San Juan County, NM

GL 6346'
 KB N/A
 Spud Date 11/25/2007

SURF CSG

Hole size 12.25"
 Csg Size: 8.625"
 Wt: 24#
 Grade: J-55
 ID: 8.097"
 Depth 390'
 Csg cap ft³: 0.3576
 TOC: Circ
 surf

FORMATION TOPS

Nacimiento	Surface
Ojo Alamo	N/A
Kirtland	567'
Fruitland Coal	851'
Pictured Cliffs	1121'
Lewis	1280'
Chacra	1455'
Mesaverde	1804'
Mancos	3720'
Gallup	4613'

PROD CSG

Hole size 7.875"
 Csg Size: 5.5"
 Wt: 15.5#
 Grade: J-55
 ID: 4.95"
 Depth 5162'
 Csg cap ft³: 0.1336
 Csg/Csg 0.1926
 Ann ft³:
 Csg/OH cap 0.1732
 ft³:
 TOC: Circ
 surf

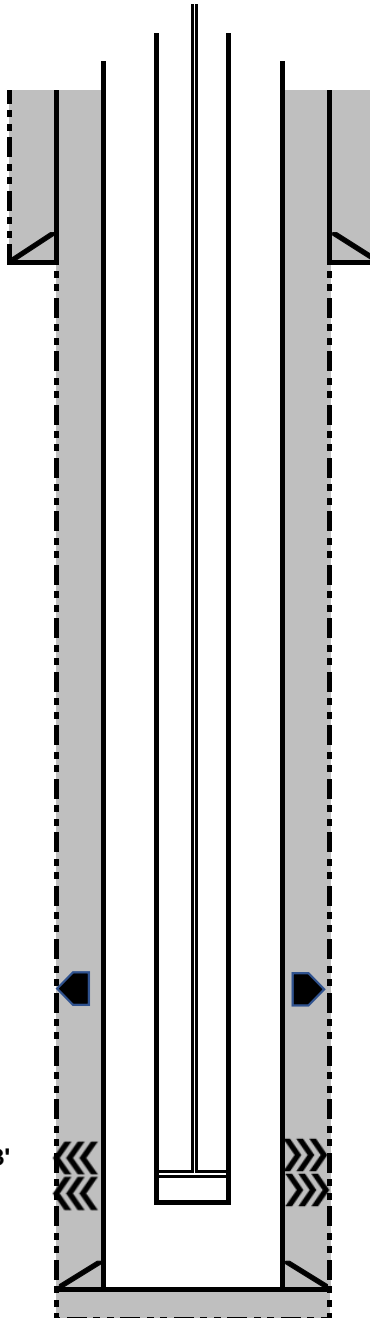
Perfs 4751-4833'

PBTD 5121'
 TD 5170'

12/20/2007	Perfed sqz holes at 600'. Sqzd with 200 sx. 12 bbls good cement to surface.
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<u>Prod Tubing Detail:</u>	
2 3/8	4907'
SN	4871'
TAC	4577'
<u>Rod Detail:</u>	
2"x1-1/2"x16" RWAC pump, 4'x3/4" stabilizer sub, 4x1-1/4" sinker bars, 38x3/4" molded guide rods, 64x7/8" rods, 6'x8'x8' rod subs, 1-1/4"x22' polished rod with 12' liner.	

DV Tool 3483'



Proposed Wellbore P&A Diagram
DJR Operating, LLC
Bisti Gallup 22-15
 API # 30-045-34132
 SW/SE, Unit O, Sec 22, T25N, R12W
 San Juan County, NM

GL 6346'
 KB N/A
 Spud Date 11/25/2007

SURF CSG

Hole size 12.25"
 Csg Size: 8.625"
 Wt: 24#
 Grade: J-55
 ID: 8.097"
 Depth 390'
 Csg cap ft3: 0.3576
 TOC: Circ surf

FORMATION TOPS

Nacimiento	Surface
Ojo Alamo	N/A
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PROD CSG

Hole size 7.875"
 Csg Size: 5.5"
 Wt: 15.5#
 Grade: J-55
 ID: 4.95"
 Depth 5162'
 Csg cap ft3: 0.1336
 Csg/Csg Ann ft3: 0.1926
 Csg/OH cap ft3: 0.1732
 TOC: Circ surf

Plug 7: 440' to surface, 440' plug. Class G cement.

12/20/2007 Perfed sqz holes at 600'.
 Sqzd with 200 sx. 12 bbls
 good cement to surface

Plug 6: Pictured Cliffs, Fruitland, Kirtland
 1171' to 517', 654' plug. Class G cement.

Plug 5: Chacra, 1505' to 1405', 100' plug.
 Class G cement.

Plug 4: Mesaverde, 1854' to 1754', 100' plug.
 Class G cement.

DV Tool 3483'

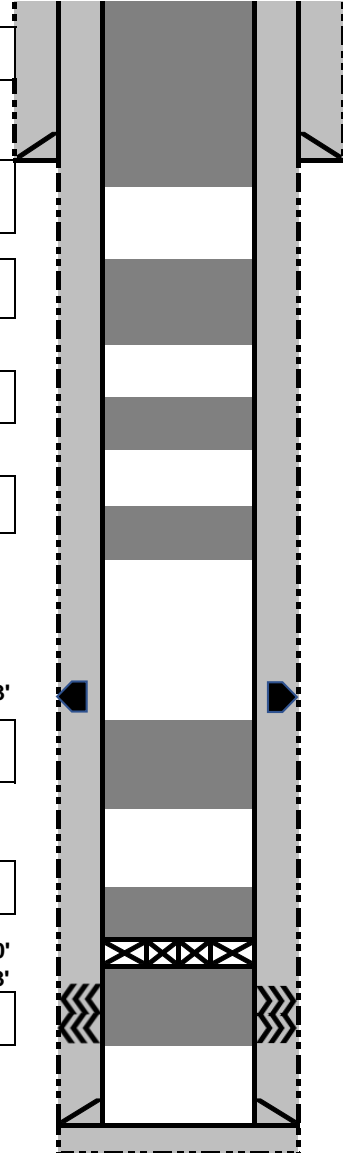
Plug 3: Mancos, 3770' to 3670', 100' plug,
 Class G cement.

Plug 2: Gallup, 4720' to 4563', 157' plug
 above CR. Class G cement.

CR 4720'
 Perfs 4751-4833'

Plug 1: Attempt to pump 20 sx class G
 cement through CR and into perfs.

PBTD 5121'
 TD 5170'



BLM FLUID MINERALS Geologic Report

Date Completed: 9/18/2020

Well No.	Bisti Gallup 22 # 15		Location	670'	FSL	&	1650'	FEL
Lease No.	NMNM 25449		Sec. 22	T25N			R12W	
Operator	DJR Operating, LLC		County	San Juan		State	New Mexico	
Total Depth	5170'	PBTD 5121'	Formation Bisti Lower Gallup					
Elevation (GL) 6346'			Elevation (KB) 6356' (est.)					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose					
Nacimiento	Surface	Behind Surface Casing			Surface
Ojo Alamo Ss	Behind Surface Casing			567'	Aquifer (fresh water)
Kirtland Shale			567'	851'	
Fruitland			851'	1121'	Coal/Gas/Possible water
Pictured Cliffs Ss			1121'	1280'	Gas
Lewis Shale (Main)			1280'	1455'	
Upper Chacra			1455'	1730'	Possible water or gas
Lewis Shale Stringer			1730'	1878'	
Lower Chacra			1878'	2000'	Possible water or gas
Menefee Stringer			2000'	2185'	
Cliff House Ss			2185'	2370'	Water/Possible gas
Menefee			2370'	3550'	Coal/Ss/Water/Possible O&G
Point Lookout Ss			3550'	3720'	Probable water/Possible O&G
Mancos Shale			3720'	4200'	
Tocito Ss Lentil			4200'	4623'	O&G/Water
Gallup Ss (Main)			4623'	4836'	
Mancos stringer			4836'	4995'	
Dakota			4995'		O&G/Water

Remarks:

P & A

Reference Well:

1) DJR Operating, LLC Fm. Tops Same

- 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.

- The top of the Ojo Alamo formations is behind the surface casing and its depth is estimated. The proposed plugging plan will adequately protect the freshwater sands in these formations.

- All depths include a 10' KB.

Please note that the BLM geologist's pick for the Cliff House formation varies from the operator's pick.

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: Bisti Gallup 22-15

API: 300453413200S1

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. If necessary, submit electronic copy of the CBL for verification to the following addresses: jkillins@blm.gov , jhoffman@blm.gov and Brandon.Powell@state.nm.us . Based on CBL results inside/outside plugs and volumes will be adjusted accordingly.
5. BLM picks top of cliffhouse at 2185 md. Modigy plug 4 or add a plug to cover 2135-2235 md.
6. 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 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.