State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

Heather Riley, Division Director Oil Conservation Division



Matthias Sayer Deputy Cabinet Secretary

September 20, 2018

DJR Operating, LLC Attn: Amy Archuleta 1 Road 3263 Aztec, NM 87410

Re: 2018 Bradenhead Test

Well: A P Hixon Com #1E, UL A Sec 21 Twn 25N Rge 11W, API # 30-045-26036

Dear Ms. Archuleta:

The 2018 Bradenhead test on the above well indicates a failure. In order to comply with Rule 19.15.16.11, prevent waste and protect fresh water, you are hereby directed to submit a plan of action before **October 20, 2018**, and initiate remedial activity before **December 20, 2018**. The initial Surface Casing psi was 26. The initial Production Casing psi was 25. Bradenhead equalizes with production casing.

Gas analysis has been received. Gas appears to be the same on the bradenhead and the production casing. Please submit wellbore schematic that includes formation and cement tops

Reference: RBDMS MPK1826357366 on future correspondence for this issue.

Notify the Aztec OCD 24 hours before work is initiated.

If you have any questions, please call me at 505-334-6178, ext. 123.

Sincerely yours,

Monica Kuehling

Deputy Oil and Gas Inspector

District III - Aztec

CC: Well File