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 21, 2018

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

Re: 2018 Bradenhead Test

Well: Bisti Coal 28 #1, UL B Sec 28 Twn 25N Rge 12W, API # 30-045-28561

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 21, 2018**, and initiate remedial activity before **December 21, 2018**. The initial Surface Casing psi was 100. The initial Production Casing psi was 100. The five minute Surface Casing shut in pressure was 17. The production casing pressure fell while bradenhead was open indicating there is direct communication between bradenhead and production casing.

Gas analysis has been received. Please submit a recent wellbore schematic including formation and cement tops. The gas analysis appears to show same gas on bradenhead and production casing.

Reference: RBDMS MPK1826332812 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