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

October 1, 2018

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

Re: 2018 Bradenhead Test

Well: Central Bisti Unit 70, UL M Sec 4 Twn 25N Rge 12W, API # 30-045-05529

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 **November 1, 2018,** and to initiate remedial activity before **January 1, 2019.** Initial Surface Casing psi was 138. Initial Production Casing psi was 166. Five-minute shut-in pressure on Surface Casing was 5.

Gas analysis has been received. Gas appears to be similar on surface casing and production casing.

DJR Operating, LLC is directed to find source of gas and fix within 90 days of the date of this letter.

Reference: RBDMS MPK1827432458 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