Form 3160-5

UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED OMB No. 1004-0137

(June 2015) Expires: January 31, 2018 Farmington Field Offichease Serial No. **BUREAU OF LAND MANAGEMENT** SF-079161 SUNDRY NOTICES AND REPORTS ON WELLS of Land Mana 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an N/A abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well 8. Well Name and No. Candado #7 Oil Well ✓ Gas Well Other 2. Name of Operator DJR Operating, LLC 9. API Well No. 30-039-06597 3a. Address 1 Road 3263, Aztec, NM 87410 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area 505-632-3476 Blanco P.C. South 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. Country or Parish, State 1550 FNL, 990 FWL, E-Sec. 10-T26N, R7W Rio Arriba County, New Meixco 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Water Shut-Off Acidize Deepen Production (Start/Resume) Notice of Intent Hydraulic Fracturing Well Integrity Alter Casing **✓** Reclamation New Construction Casing Repair Recomplete Other ✓ Subsequent Report Plug and Abandon Change Plans Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back 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 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 perfonned 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 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 detennined that the site is ready for final inspection.) The Candado #7 plugged and abandoned on 7-31-2018. On 12-13-18, Robert Switzer of the BLM-FFO and Paul Lehrman of DJR Operating, LLC visited the site. The site has had all surface equipment removed (Well Head, Separator, Meter Run and all above ground facilities associated with the well, along with any underground facilities within the well pad boundaries. Also removed was a Drip, Enterprise Meter run and pipeline tie-in to the north. The site has been re-contoured, reseeded and all other specified requirements per the Reclamation Plan as approved by the BLM-FFO. Per Robert Switzer, BLM-FFO AO, the site has been found to comply with the interim requirements under the BLM guidelines and the Reclamation Plan. Final Reclamation/FAN will be forthcoming as the site meets BLM final reclamation vegetation standards. NMOCD See pictures of interim reclamation attached hereto. JAN 3 1 2019 DISTRICT 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Landman Paul Lehrman Title 12/19/2018 Signature Date THE SPACE FOR FEDERAL OR STATE OFICE USE Approved by 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 Office which would entitle the applicant to conduct operations thereon

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)





Attached to Sundry for Interim Reclamation Approval dated 12-19-18.

CANDADO #7

Surface:

Federal

Minerals:

Federal

Lease:

SF-079161

API #: 3003906597 Well Name: CANDADO # 007

Operator Name: DJR OPERATING, LLC County: Rio Arriba

Land Type: Federal Well Type: Gas Spud Date: 7/1/1955 1 Plug Date:

Elevation GL: 6097 Depth TVD: 2320

Pools associated:

BLANCO P. C. SOUTH (PRORATED GAS) Total Acreage: 160.00



Photo Taken 12-19-2018. Interim Reclamation November 2018.

Looking West from entrance (SE corner) to pad off main roadway. Note Largo wash in background.

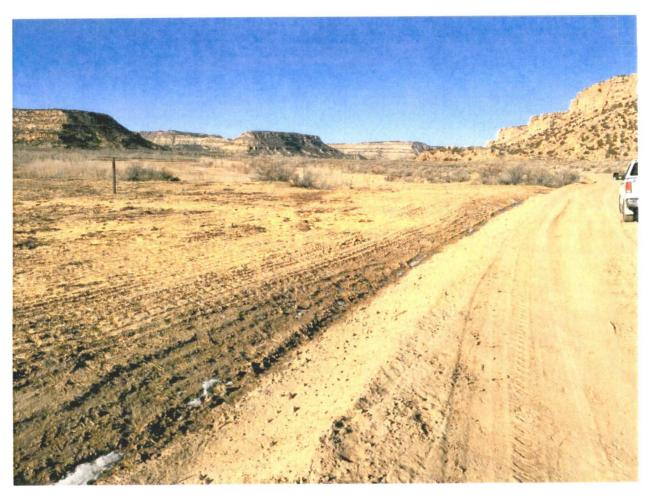


Photo Taken 12-19-2018. Interim Reclamation November 2018.

Looking North/Northwest from SE corner of pad. Note cut ditch on west side of road to drain water away from main roadway. Largo wash visible in background.

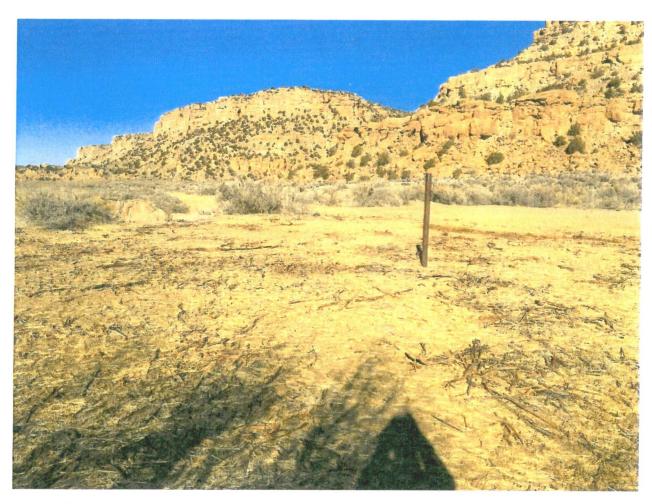


Photo Taken 12-19-2018. Interim Reclamation November 2018.

Looking North from SW Corner of Pad.



Photo Taken 12-19-2018.

Looking SE from NW corner of Pad. Note main road on east side of pad.

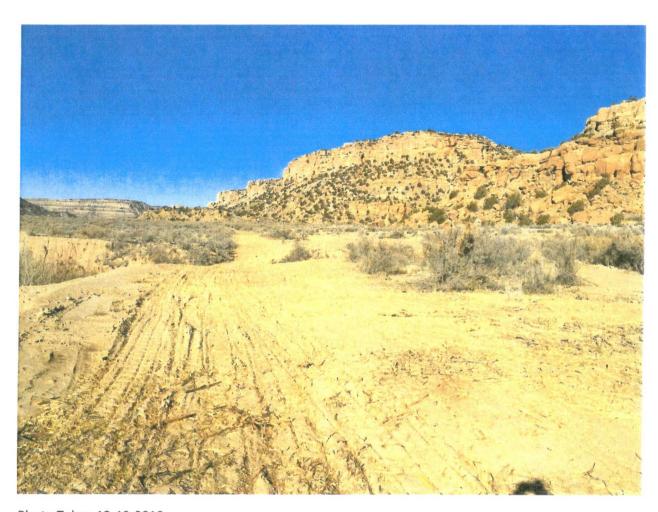


Photo Taken 12-19-2018.

Looking North along access from North to pad.