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Form 3160-5
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Albuquerque Field Office
Bureau of Land Management

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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.
JIC 360
6. If Indian, Allottee, or Tribe Name
Jicarilla Apache Tribe

SUBMIT IN TRIPLICATE - Other Instructions on page 2.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
DJR Operating, LLC

3a. Address
1 Road 3263 Aztec, NM 87410

3b. Phone No. (include area code)
505-632-3476 ext. 201

7. If Unit or CA/Agreement Name and/or No.
Chacon Amigos No. 002

9. API Well No.
30-043-20490

10. Field and Pool, or Exploratory Area
Lindrieth Gallup Dakota West

11. County or Parish, State
Sandoval County, NM

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

G: UL I, Section 2, T22N, R03W 1850' FSL, 990' FEL

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"/> Fracture Treat	<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 if the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths or pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with the BLM/BIA. Required subsequent reports must be filed within 30 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 (testing has been completed. Final Abandonment Notice 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 Operating, LLC requests approval to P&A this well according to the attached procedure and well bore diagram.

The Reclamation Plan for this site (attached) has been approved.

NMOCD

FEB 18 2019

DISTRICT III

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

BLM'S APPROVAL OR ACCEPTANCE OF THIS
ACTION DOES NOT RELIEVE THE LESSEE AND
OPERATOR FROM OBTAINING ANY OTHER
AUTHORIZATION REQUIRED FOR OPERATIONS
ON FEDERAL AND INDIAN LANDS

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Amy Archuleta Title **Regulatory Supervisor**
Signature **[Signature]** Date **January 4, 2019**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **[Signature]** Title **Sup NRS** Date **2/6/19**
Office **FFO**

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.

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 any department or agency of the United States or its officers or employees to issue, alter, or falsify any document, report, or statement, or to make any fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

NMOCD

Notify NMOCD 24 hours
prior to beginning
operations

DJR Operating LLC

Plug And Abandonment Procedure

Chacon Amigos #002

1850' FSL & 990' FEL, Section (I) 02, T22N, R3W

Sandoval County, NM / API 30-043-20490

1. Hold pre-job safety meeting. Comply with all NMOCD, BLM safety and environmental regulations. Test rig anchors prior to moving in rig if not rigged to base beam.
2. Check casing, tubing, and bradenhead pressures.
3. Remove existing piping on casing valve. RU blow lines from casing valves and begin blowing down casing pressure. Kill well as necessary. Ensure well is dead or on a vacuum.
4. ND wellhead and NU BOP. Function test BOP
5. P/U 4 ½" bit or casing scraper on 2-3/8" workstring and round trip as deep as possible above top perforation at 6825'.
6. P/U 4 ½" CR, TIH and set CR at +/- 6775'. Pressure test tubing to 1000 psi. Sting out of CR. Load hole, and pressure test casing to 800 psi. If casing does not test, then spot or tag subsequent plugs as appropriate. POOH w/ tubing.
7. RU wireline and run CBL with 500 psi on casing from CR at 6775' to surface to identify TOC. Adjust plugs as necessary for new TOC. Email log copy to Jack

Savage (BLM) at jwsavage@blm.gov and Brandon Powell at Brandon.powell@state.nm.us upon completions of logging operations.

8. Rig up to pump cement down tubing. Pump water to establish rate down tubing.

NOTE: All Plugs Include 100% excess outside casing and 50% Excess inside casing

8. Plug 1 (**Dakota Perforations and Formation Top 6775'-6725', 6 Sacks Class G Cement**)

Mix 6 sx Class G cement and spot a balanced plug inside casing to cover the Dakota perforations and formation top.

9. Plug 2 (**Gallup Formation Top 5780'-5630', 12 Sacks Class G Cement**)

Mix 12 sx Class G cement and spot a balanced plug inside casing to cover the Gallup formation top.

10. Plug 3 (**Mancos Formation Top 4980'-4830', 36 Sacks Class G Cement**)

RIH and perforate 3 squeeze holes at 4930'. Establish injection rate into squeeze holes. RIH with 4 ½" CR and set at 4880'. Mix 36 sx Class G cement. Squeeze 24 sx outside casing leaving 12 sx inside casing to cover the Mancos formation top.

11. Plug 4 (**Mesa Verde Perforations and Formation Top 4723'-4020', 165 Sacks Class G Cement**)

RIH and perforate 3 squeeze holes at 4673'. Establish injection rate into squeeze holes. RIH with 4 ½" CR and set at 4623'. Mix 165 sx Class G cement. Squeeze 110 sx outside casing leaving 55 sx inside casing to cover the Mesa Verde formation top.

12. Plug 5 (**Chacra Formation Top 3900'-3750', 36 Sacks Class G Cement**)

RIH and perforate 3 squeeze holes at 3850'. Establish injection rate into squeeze holes. RIH with 4 ½" CR and set at 3800'. Mix 36 sx Class G cement. Squeeze 24 sx outside casing leaving 12 sx inside casing to cover Chacra formation top.

13. Plug 6 (Pictured Cliffs, Fruitland, Kirtland Formation Tops 2671'-2285', 32 Sacks Class G Cement)

Mix 32 sx Class G cement and spot a balanced plug inside casing to cover Pictured Cliffs, Fruitland, and Kirtland formation tops.

14. Plug 7 (Ojo Alamo Formation Top 1800'-1650', 36 Sacks Class G Cement)

RIH and perforate 3 squeeze holes at 1750'. Establish injection rate into squeeze holes. RIH with 4 ½" CR and set at 1700'. Mix 36 sx Class G cement. Squeeze 24 sx outside casing leaving 12 sx inside casing to cover Ojo Alamo formation top.

15. Plug 8 (Nacimiento Formation Top 1200'-1050', 36 Sacks Class G Cement)

RIH and perforate 3 squeeze holes at 1150'. Establish injection rate into squeeze holes. RIH with 4 ½" CR and set at 1100'. Mix 36 sx Class G cement. Squeeze 24 sx outside casing leaving 12 sx inside casing to cover Nacimiento formation top.

16. Plug 9 (Surface Shoe and Surface 310'-surface, 100 Sacks Class G Cement)

Perforate 3 squeeze holes at 260'. Establish injection rate down through perforations at 260' and back around and out Bradenhead valve at surface. Mix 100 sx Class G cement and circulate cement down through perforations at 260' and back around and out Bradenhead valve at surface. Fill annuli with cement as necessary.

17. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS

coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and restore location per BLM stipulations.

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:

Re: Permanent Abandonment
Well: Chacon Amigos 2

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. The following modifications to your plugging program are to be made:

- a) Set Plug #3 (5012 – 4912) ft. to cover Mancos top. BLM picks top of Mancos at 4962 ft.
- b) Set Plug #5 (3431 – 3331) ft. to cover Chacra top. BLM picks top of Chacra at 3381 ft.
- c) Combine Plugs #6 & #7 (2672 – 2249) ft. to cover the PC, Fruitland, Kirtland, and Ojo Alamo tops. BLM picks top of Pictured Cliffs at 2622 ft. BLM picks top of Ojo Alamo at 2299 ft.
- d) Set Plug #8 (1058 – 958) ft. to cover the Nacimiento top. BLM picks top of Nacimiento at 1008 ft.

Operator will run a CBL to verify cement top. Submit the electronic copy of the log for verification to the following addresses: jwsavage@blm.gov Brandon.Powell@state.nm.us

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.

See Revised COAs

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BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
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Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Chacon Amigos 2

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. The following modifications to your plugging program are to be made:

- a) Set Plug #1 (6775 – 6675) ft. to cover Dakota perforations. Top of perforations at 6825 ft.
- b) Set Plug #3 (5012 – 4912) ft. to cover Mancos top. BLM picks top of Mancos at 4962 ft.
- c) Set Plug #5 (3431 – 3331) ft. to cover Chacra top. BLM picks top of Chacra at 3381 ft.
- d) Combine Plugs #6 & #7 (2672 – 2249) ft. to cover the PC, Fruitland, Kirtland, and Ojo Alamo tops. BLM picks top of Pictured Cliffs at 2622 ft. BLM picks top of Ojo Alamo at 2299 ft.
- e) Set Plug #8 (1058 – 958) ft. to cover the Nacimiento top. BLM picks top of Nacimiento at 1008 ft.

Operator will run a CBL to verify cement top. Submit the electronic copy of the log for verification to the following addresses: jwsavage@blm.gov Brandon.Powell@state.nm.us

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.