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Form 3160-5
(June 2015)

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

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

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. **NMNM 2034**
6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA Agreement, Name and/or No.
2. Name of Operator DJR OPERATING, LLC		8. Well Name and No. SOUTH BLANCO FEDERAL 23 No. 003
3a. Address 1 ROAD 3263, AZTEC, NM 87410	3b. Phone No. (include area code) 505-632-3476	9. API Well No. 30-045-28163
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) O-23-24N-08W 627 FSL & 1765 FEL		10. Field and Pool or Exploratory Area LYBROOK GALLUP
		11. Country or Parish, State SAN JUAN COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<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 type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" 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 thereof. If the proposal is to deepen directionally or recompleat 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 performed 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 recompleat 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 determined that the site is ready for final inspection.)

DJR Operating, LLC requests approval to dispose of produced water from this well into our Lybrook WDW 1 injection well. The injection well permit is attached.

NMCCD
MAR 15 2019
DISTRICT III

ENTERED
MAR 11 2019
AFMSS

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Shaw-Marie N. Crues		Title HSE Technician
Signature <i>Shaw-Marie Crues</i>		Date 03/08/2019

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Dave Mankiewicz</i>	Title AFM	Date 3/12/19
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.	Office FFO	

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)

NMCCD



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Lori Wrotenberg

Director

Oil Conservation Division

ADMINISTRATIVE ORDER SWD-907

APPLICATION OF ELM RIDGE RESOURCES, INC. FOR SALT WATER DISPOSAL, RIO ARRIBA COUNTY, NEW MEXICO.

ADMINISTRATIVE ORDER OF THE OIL CONSERVATION DIVISION

Under the provisions of Rule 701(B), Elm Ridge Resources, Inc. made application to the New Mexico Oil Conservation Division on November 18, 2003, for permission to utilize for salt water disposal its proposed Lybrook Yard WDW Well No. 1 (API No. 30-039-27533) to be located 988 feet from the North line and 2035 feet from the East line (Unit B) of Section 14, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico.

THE DIVISION DIRECTOR FINDS THAT:

- (1) The application has been duly filed under the provisions of Rule 701(B) of the Division Rules and Regulations;
- (2) Satisfactory information has been provided that all offset operators and surface owners have been duly notified;
- (3) The applicant has presented satisfactory evidence that all requirements prescribed in Rule 701 will be met; and
- (4) No objections have been received within the waiting period prescribed by rule.

IT IS THEREFORE ORDERED THAT:

Elm Ridge Resources, Inc. is hereby authorized to utilize its proposed Lybrook Yard WDW Well No. 1 (API No. 30-039-27533) to be located 988 feet from the North line and 2035 feet from the East line (Unit B) of Section 14, Township 23 North, Range 7 West, NMPM, Rio Arriba County, New Mexico, in such a manner as to permit the injection of produced water for disposal purposes into the Point Lookout member of the Mesaverde formation from 4,575 feet to 4,775 feet, through 2 7/8 inch plastic-lined tubing set in a packer located at approximately 4,475 feet.

IT IS FURTHER ORDERED THAT:

The operator shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface.

The Point Lookout interval shall be logged with porosity and resistivity logs and swab tested after perforating. Water samples shall be obtained from the Point Lookout interval and water analysis supplied to the Division.

The casing-tubing annulus shall be loaded with an inert fluid and equipped with a pressure gauge at the surface or left open to the atmosphere to facilitate detection of leakage in the casing, tubing, or packer.

The injection well or system shall be equipped with a pressure limiting device which will limit the wellhead pressure on the injection well to **no more than 915 psi.**

The Director of the Division may authorize an increase in injection pressure upon a proper showing by the operator of said well that such higher pressure will not result in migration of the injected fluid from the injection formations. Such proper showing shall consist of a valid step-rate test run in accordance with and acceptable to this office.

The operator shall notify the supervisor of the Aztec district office of the Division of the date and time of the installation of disposal equipment and of any mechanical integrity test so that the same may be inspected and witnessed.

The operator shall immediately notify the supervisor of the Aztec district office of the Division of the failure of the tubing, casing, or packer in said well and shall take such steps as may be timely and necessary to correct such failure or leakage.

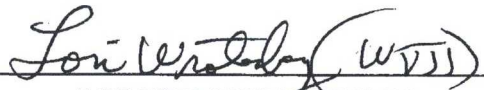
PROVIDED FURTHER THAT, jurisdiction is retained by the Division for the entry of such further orders as may be necessary for the prevention of waste and/or protection of correlative rights or upon failure of the operator to conduct operations (1) to protect fresh water or (2) consistent with the requirements in this order, whereupon the Division may, after notice and hearing, terminate the injection authority granted herein.

The operator shall submit monthly reports of the disposal operations on Division Form C-120-A, in accordance with Rule Nos. 706 and 1120 of the Division Rules and Regulations.

Administrative Order SWD-907.
Elm Ridge Resources, Inc.
December 5, 2003
Page 3 of 3

The injection authority granted herein shall terminate one year after the effective date of this order if the operator has not commenced injection operations into the subject well, provided however, the Division, upon written request by the operator, may grant an extension thereof for good cause shown.

Approved at Santa Fe, New Mexico, on this 5th day of December 2003.


LORI WROTENBERY, Director

LW/wvj

cc: Oil Conservation Division – Aztec
Bureau of Land Management – Farmington