

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: 3/7/2019

Well information:

DJR OPERATING, LLC

30-045-26036 A P HIXON COM #001E

Application Type:

P&A Drilling/Casing Change Location Change

Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84; Submit Gas Capture Plan form prior to spudding or initiating recompletion operations)

Other:

Conditions of Approval:

- Notify the OCD 24hrs prior to beginning operations.
- Pump 50' of cement under the retainer set at 5710'.
- Add a plug from 2055'-1955' to cover the Mesaverde top (Mesaverde top @ 2005')
- Retain the proposed plug from 1670' to 1520' to cover the Chacra top (Chacra top @ 1620').
- Prior to recomplete a Mechanical integrity test (MIT) must be performed to verify the integrity of the well. The pressure test must meet the requirements of 19.15.25.14 NMAC.
 - 24hr notice is required to be provided to the agencies prior to performing the MIT.

A handwritten signature in black ink, appearing to read "Brandi Bell".

NMOCD Approved by Signature

4/4/19

Date

RECEIVED

Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAR 11 2018

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NOG-0209-1622
2. Name of Operator DJR Operating, LLC		6. If Indian, Allottee or Tribe Name Navajo Allotted
3a. Address 1 Road 3263 Aztec, NM 87410	3b. Phone No. (include area code) (505) 632-3476	7. If Unit of CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 790' FNL X 790' FEL, Section 21-T25N-R11W		8. Well Name and No. A.P. Hixon 1E
		9. API Well No. 30-045-26036
		10. Field and Pool or Exploratory Area Bisti Lower Gallup/Basin Dakota
		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 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"/> 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 checked="" 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 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 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 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 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 determined that the site is ready for final inspection.)

DJR Operating, LLC would like to request permission to recomplete this well per the attached procedure.

NMOCD
MAR 15 2019
DISTRICT III

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Amy Archuleta		Regulatory Title
Signature		Date 03/07/2019

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by 	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 FFU	

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)

NMOCD

DISTRICT I
 1625 N. French Dr., Hobbs, N.M. 88240
 Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
 811 S. First St., Artesia, N.M. 88210
 Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
 1000 Rio Brazos Rd., Aztec, N.M. 87410
 Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
 1220 S. St. Francis Dr., Santa Fe, N.M. 87505
 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, N.M. 87505

Form C-102

Revised August 1, 2011

Submit one copy to appropriate
 District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-26036		² Pool Code 71629		³ Pool Name Basin Fruitland Coal	
⁴ Property Code		⁵ Property Name AP Hixon Com			⁶ Well Number IE
⁷ GRID No. 371838		⁸ Operator Name DJR Operating, LLC			⁹ Elevation 6433

¹⁰ Surface Location

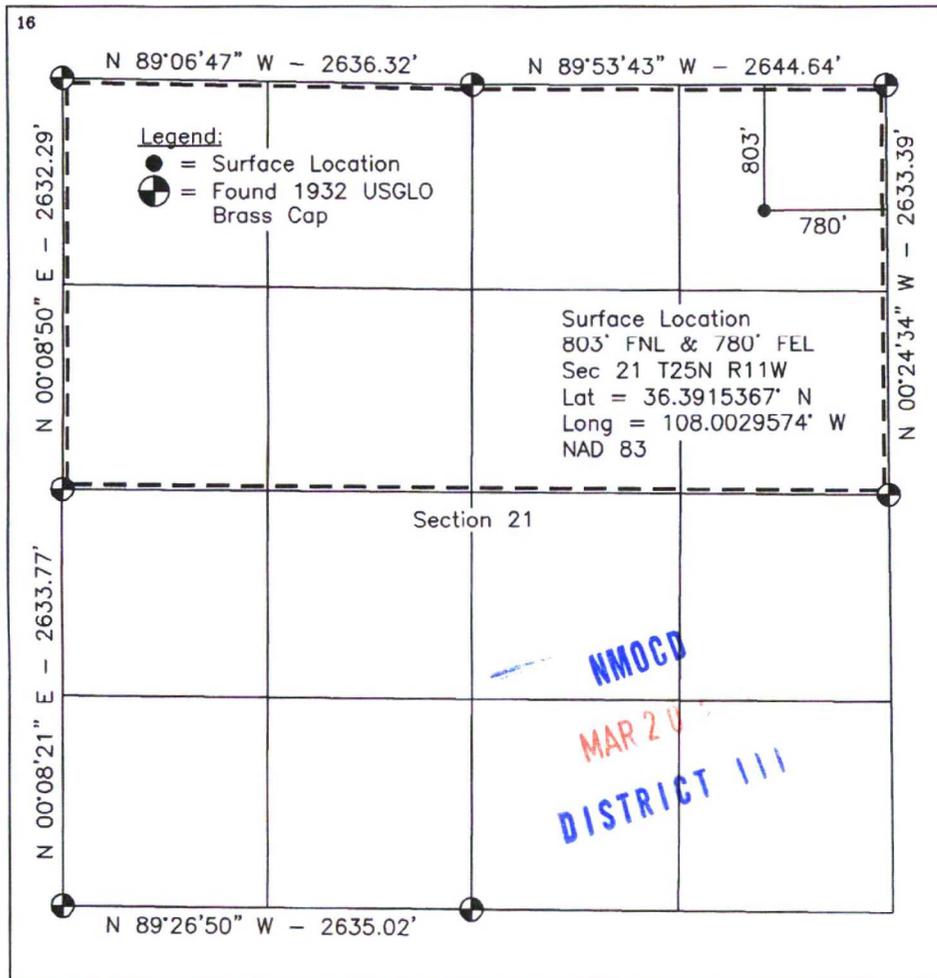
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	21	25 N	11 W		803	North	780	East	San Juan

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320 N 1/2	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Paul Lehrman 3-20-19
 Signature Date
 Printed Name Paul Lehrman
 E-mail Address plehrman@djrllc.com

18 SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

03-18-19
 Date of Survey
 Signature and Seal of Professional Surveyor

 17078
 Certificate Number



AP Hixon Com 1E
Section 21, T25N, R11W
API#: 30-045-26036
February 27, 2019
SHL/LD

TD: 5960'
Surface Csg: 8-5/8" 24# @ 372'
PBTD: 5710' (cement retainer)
Casing: 5-1/2" 15.5# @ 5964'
BHT: 152 °F
KB: 12'

Procedure:

1. MIRUSU. Hold safety meeting. Check bradenhead, casing and tubing pressures. Remove horse's head.
2. TOO H with rods and pump, laying down 146 rods.
3. Run standing valve to SN. Pressure test tbg. to 1000 psi. Recover standing valve.
4. ND WH, release packer, NU BOP.
5. TOO H with tubing, packer, and tailpipe. LD packer.
6. TIH with tubing to 5687' (top of sand). Circulate sand off cement retainer previously set @ 5710'. Spot 6 sx on top of retainer.
7. Pull up 2 stands, and reverse circulate with 2 tubing volumes of water. TOO H with tubing.
8. PU 5-1/2" cement retainer. TIH and set at 4791'. Squeeze below retainer with 18 sx cement to cover across Gallup perms. Spot 6 sx on top of retainer. Pull up to 3940'.
9. With EOT at 3940', spot 17 sx balanced plug from 3940' to 3790' to cover 100' across top of Mancos. Pull up 2 stands, and reverse circulate with 2 tubing volumes of water. WOC.
10. TIH to tag top of cement at 3790'. If necessary, spot additional cement to insure coverage to 3790'.
11. Pull up to 1670'. With EOT at 1670', spot 17 sx balanced plug from 1670' to

1520' to cover top of Mesaverde. Pull up 2 stands and reverse circulate with 2 tubing volumes of water. WOC.

12. TIH to tag top of cement at 1520'. If necessary, spot additional cement to insure coverage to 1520'. PT casing?
13. TOOH with tubing. PU 5-1/2" casing scraper, and TIH to 1300'. TOOH. TIH with tubing to 1230'. Spot 1000 gals, 7-1/2% HCL (double inhibited with iron sequestering agent) from 1230'-1090'.
14. RU wireline. RIH with perforating gun and perforate top down with 4 SPF from 1096-1102', 1138-41', 1150-1154', 1171-79', 1202-11', 1223-28', 1232-35', for a total of 38' of perforations. POOH and RD wireline.
15. RU Drake Energy Services' cement pump truck. Break down perforations at 10 BPM with 100 bbls water.
16. TIH with NC, SN, and 2-3/8" tubing to 1250'. TIH with rebuilt pump and rods until slight tag is achieved. Reuse rods and 1-1/4"x16' polished rod with 1-1/2"x10' liner, if it slides freely on polished rod. Otherwise replace.
17. NDBOP. NUWH, polished rod, stuffing box, and horses head. Call pumper to set new chart and return well to production.