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 Gabriel Wade, Acting 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 <u>3160-5</u> form.

Operator Signature Date: Original APD 2/11/2014 Sundry Extension Date 2/4/2019

WELL INFORMATION: DJR OPERATING LLC 30-045-35515 BETONNIE TSOSIE WASH UNIT #108H

Conditions of Approval: (See the below checked and handwritten conditions)

- Notify Aztec OCD 24hrs prior to casing & cement.
- Hold C-104 for directional survey & "As Drilled" Plat

Hold C-104 for NSL, NSP, DHC,

- O Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned
 - Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:

A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A

A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A

A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C

Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string

Submit Gas Capture Plan form prior to spudding or initiating recompletions operations.

Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84

Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.

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✓ Well-bore communication is regulated under 19.15.29 NMAC. This requires well-bore Communication to be reported in accordance with 19.15.29.8.

Comply with current regulations at time of spud Prior to production operator needs to be in compliance with RULE 19.15.5.9

Ketheric Bala

NMOCD Approved by Signature

<u>3/15/19</u> Date

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RECEIVED							
Form 3160-5 (March 2012) DEF	UNITED STATE		FEB 0	6 2019	C	ORM APPROVED DMB No. 1004-0137 pires: October 31, 2014	
BUR	EAU OF LAND MAN	AGEMENT	-		5 Lesse Serial No		
SUNDRY NOTICES AND REPORTS ON WELLS					6. If Indian, Allottee or Tribe Name		
SUNDRY NOTICES AND REPORTS ON WEL Bureau of Land Manage frighted an, Allottee or Tribe Name Bureau of Land Manage frighted an, Allottee or Tribe Name 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.					7. If Unit of CA/Agreement, Name and/or No. NMNM 135219X		
☑ Oil Well					8. Well Name and No. Betonnie Tsosie Wash Unit 108H (Lyb M11-2308 02H)		
2. Name of Operator DJR Operating LLC.					9. API Weil No. 30-045-35515		
3a. Address 1 Road 3263 Aztec, New Mexico 87410	3b. Phone No. (include area code) 505-632-3476			10. Field and Pool or Exploratory Area Betonnie Tsosie Wash Mancos (OIL)			
4. Location of Well (Footage, Sec., T., SHL: 341'FSL and 182'FWL Section 11, T23	L			11. County 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 ACT					ION		
Notice of Intent	itent		n		action (Start/Resume)	Water Shut-Off	
_	Alter Casing		re Treat		amation Well Integrity omplete Other APD Extension		
Subsequent Report	Change Plans		nd Abandon		orarily Abandon		
Final Abandonment Notice	Convert to Injection	Plug B	ack	Water	er Disposal		
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. was issued an approved APD for this well on 5/30/14. DJR Operating is requesting a 1year APD extension from the final date of 5/29/18 for the Betonnie Tsosie Wash Unit 108H (fka-Lybrook M11-2308 02H) well (API 30-045-35515).							
NM					000		
MAR 1 4 2019							
DISTRICT III							
						2020 VB	
APP expension granded. Inal extension - 05/28/250 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Steven Merrell							
Steven Merrell	errell Title Regulatory Specialist						
Signature Sturn Norrall Date 02/04/2019							
THIS SPACE FOR FEDERAL OR STATE OFFICE USE							
Approved by Conditions of approval, if any are strached that the applicant holds legal or equitable t entitle the applicant to conduct operations	itle to those rights hr the subje	not warrant or ce	rtify	FFO	uneiels D	ate 02/11/19	
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)							
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