

RECEIVED

Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

DEC 19 2013

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. 14-20-603-321

6. If Indian, Allottee or Tribe Name
Ka Da Pa

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660' FSL X 660' FWL Unit "M" - Sec 4-T25N-R12W

7. If Unit of CA/Agreement, Name and/or No.
NMNM 78386X

8. Well Name and No. Central Bisti Unit #70

9. API Well No. 30-045-05529

10. Field and Pool or Exploratory Area
Bisti Lower Gallup

11. Country or Parish, State
San Juan, 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 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 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 detennined that the site is ready for final inspection.)

DJR Operating, LLC requests permission to plug and abandon the subject well per the attached procedure, current and proposed wellbore diagram. The reclamation plan is also attached.

NMOC

Notify NMOC 24 hrs
prior to beginning
operations

APR 16 2019

DISTRICT III

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Amy Archuleta

Title Regulatory

Signature

Date

12/18/2018

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Dave Mankiewicz

Title

AFM

Date

4/12/19

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)

FARMINGTON

NMOC

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PLUG AND ABANDONMENT PROCEDURE

December 13, 2018

CBU #70

Bisti Lower Gallup

660' FSL & 660' FWL, Section 4, T25N, R12W, San Juan County, New Mexico

API 30-045-05529 / Long _____ / _____

Note: This procedure is revised based on the approved P&A sundry. All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class G, mixed at 15.8 ppg with a 1.15 cf/sx yield.

1. This project will use an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes X, No _____, Unknown_____.
Tubing: Yes X, No _____, Unknown_____, Size 2-3/8", Length 4877'.
Packer: Yes _____, No X, Unknown_____, Type _____.
4. **Plug #1 (Gallup perforations and top, 4936' – 4488')**: RIH with open ended tubing. Mix and pump 68 sxs Class G cement (long plug, 30% excess) to cover Gallup perforations, top and 4.5" liner shoe. PUH and WOC. TIH and tag cement; top off if necessary. Attempt to pressure test casing to 800#. If casing does not test then spot or tag subsequent plugs as necessary. PUH.
5. **Plug #2 (Mancos, Mesaverde and Chacra tops, 3795' – 3009')**: Mix and pump 66 sxs Class G cement and spot a balanced plug inside casing to cover the Mancos, Mesaverde and Chacra tops. TOH.
6. **Plug #3 (Pictured Cliffs top, 1152' – 1052')**: Perforate squeeze holes at 1152'. Establish injection rate. Set CR at 1102'. Mix and pump 43 sxs Class G cement; squeeze 31 sxs outside and 12 sxs inside to cover the Pictured Cliffs top. TOH.
7. **Plug #4 (Fruitland top, 854' – 754')**: Perforate squeeze holes at 854'. Establish injection rate. Set CR at 814'. Mix and pump 43 sxs Class G cement; squeeze 31 sxs outside and 12 sxs inside to cover the Fruitland top. TOH and LD tubing.
8. **Plug #5 (8-5/8" Surface casing shoe and Surface, 345' - Surface)**: Perforate 4 squeeze holes at 345'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix and pump 95 sxs down 4.5" casing and circulate good cement out annulus. Shut in well and WOC.

9. 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 cut off anchors. Restore location per BLM stipulations

CBU #70

Current

Bisti Lower Gallup

Today's Date: 12/13/18

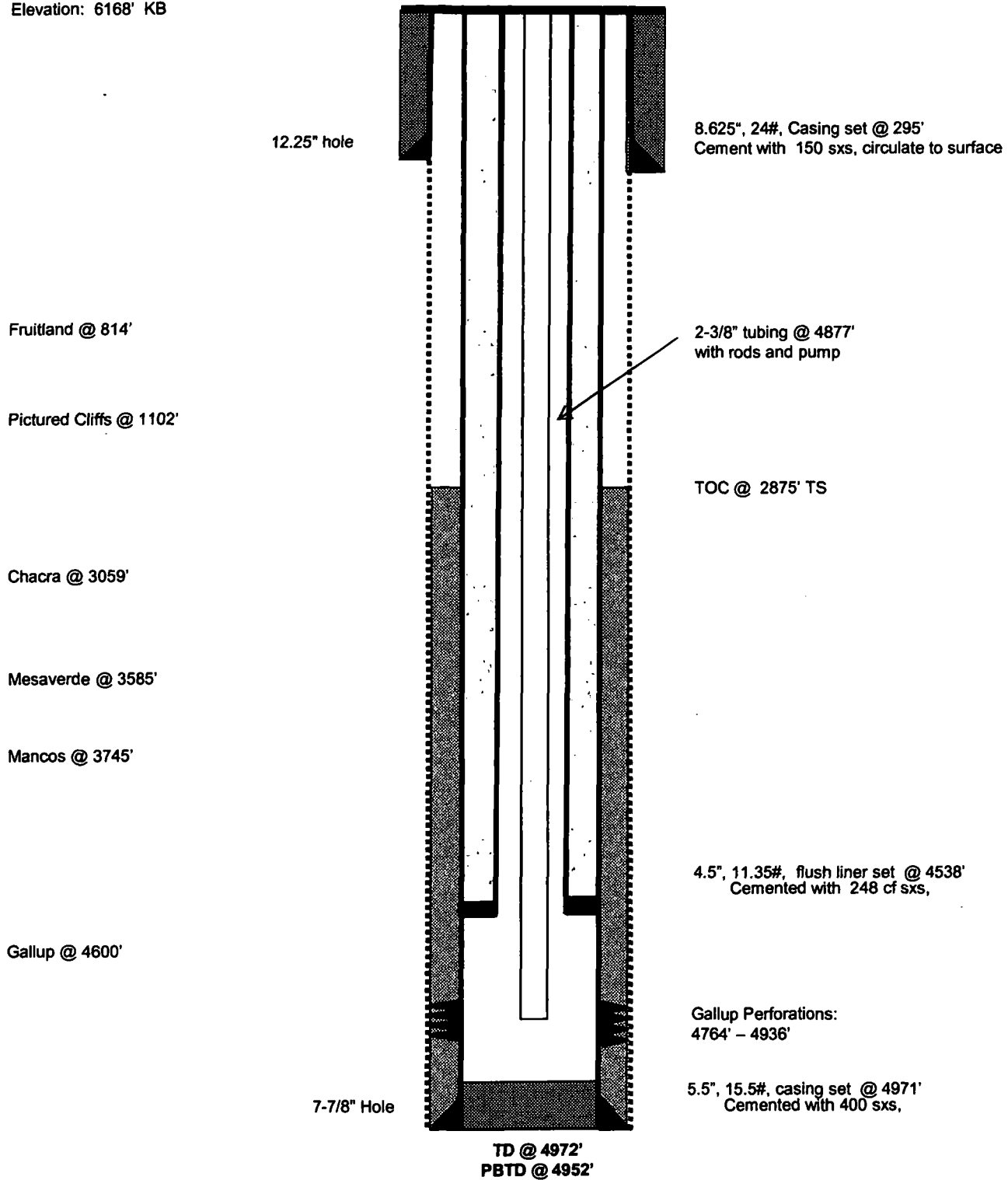
660' FSL, 660' FWL, Section 4, T-25-N, R-12-W, San Juan County, NM

Spud: 9/2/56

Completion: 9/12/56

Elevation: 6168' KB

Lat: _____ N / Lat: _____ W, API #30-045-05529



CBU #70
Proposed P&A
Bisti Lower Gallup

Today's Date: 12/13/18

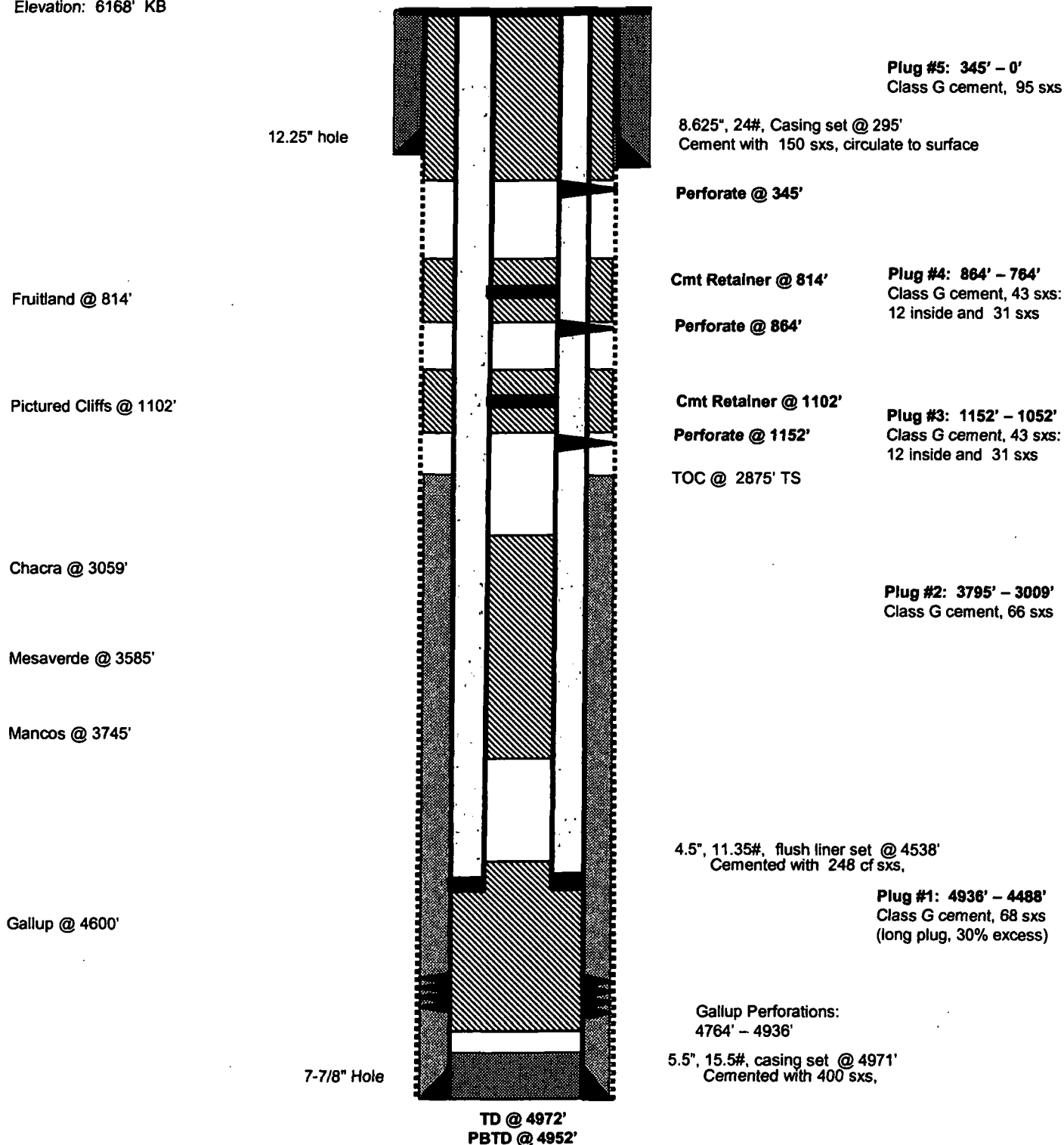
Spud: 9/2/56

Completion: 9/12/56

Elevation: 6168' KB

660' FSL, 660' FWL, Section 4, T-25-N, R-12-W, San Juan County, NM

Lat: _____ N / Lat: _____ W, API #30-045-05529



P & A RECLAMATION PLAN

Date: November 29, 2018

FIMO Specialist: Cassandra Gould

BLM Specialist: Randy McKee

Operator: DJR Operating, LLC

Well Name & Number: Central Bisti Unit #70

API No. 30-045-05529

Section 4 Township 25 North Range 12 West

Lease No: 14-20-603-321

Footage 660 FSL 660 FWL

County San Juan State New Mexico

Surface Navajo Allotted

Twinned Location No

Latitude/Longitude:

36.4247556115 Long: -108.1235813

WELL PAD

Topography Rolling Sage Hills

Stockpile Topsoil No

Soil Type Sandy

Vegetation Community Badlands Enhanced

Vegetation Specifics

| Common Name | Scientific Name | Variety | Season | Form | PLS lbs/Acre |
|--------------------|------------------------|-------------------|--------|-------|--------------|
| FourWing Saltbush | Atriplex canescens | VNS | Cool | Shrub | 4.0 |
| Indian Ricegrass | Achnatherum hymenoides | Paloma or Rimrock | Cool | Bunch | 5.0 |
| Sand Dropseed | Sporobolus cryptandrus | VNS | Warm | Bunch | .5 |
| Shadscale Saltbush | Atriplex confertifolia | VNS | | Shrub | 2.0 |
| Rabbitbrush | Ericameria nauseosa | | Warm | Shrub | 2.0 |
| Sagebrush | Artemisia tridentata | | Warm | Shrub | 2.0 |
| Mormon Tea | Ephedra | | Warm | Shrub | 1.0 |

Vegetation Cages No

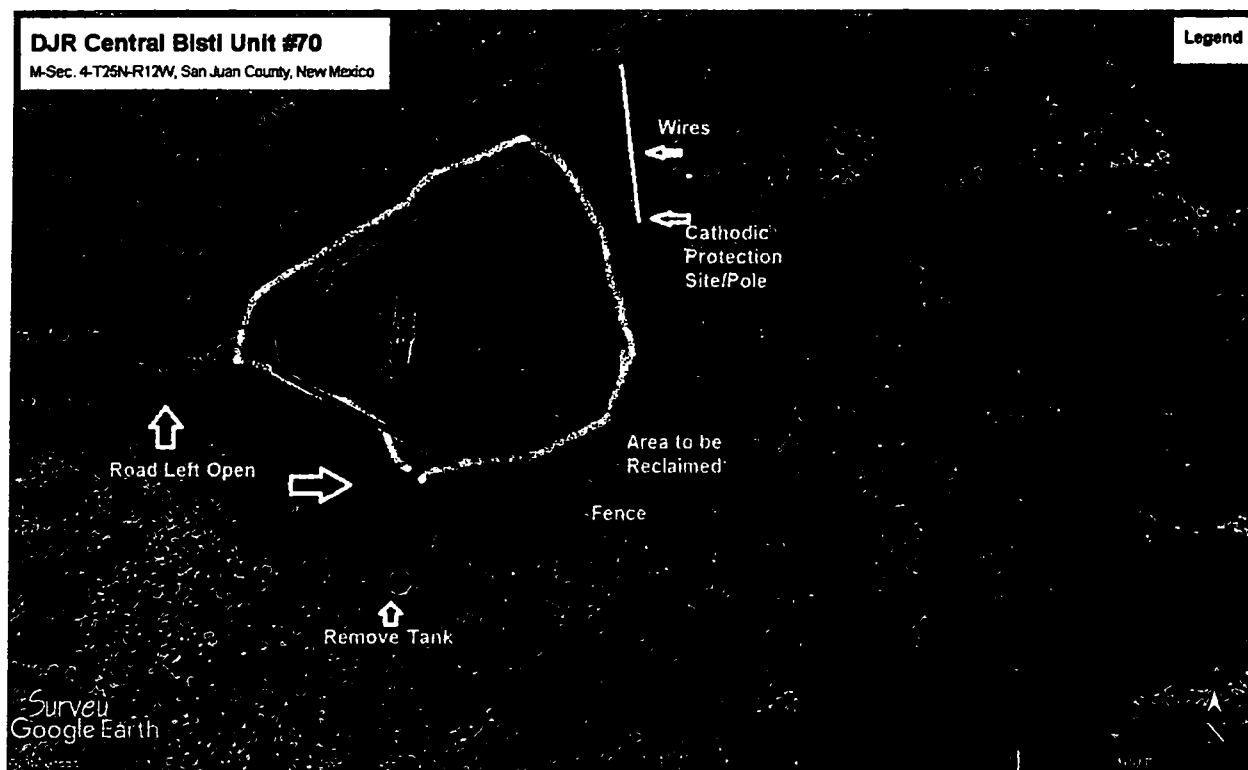
Noxious Weeds No

Facilities on Location

- Pumping Unit

- Pipeline (To be Removed within pad area)
- Cathodic Protection Station (Remove Site and one pole/wires/box)
- Old Stock Tank (Off Location boundary-to be removed)

| | |
|--|--|
| Gravel Present | Very Minimal |
| Steel Pits | No |
| Cathodic Ground bed | Yes |
| Trash on Location | Yes, all trash and debris will be removed |
| Power Poles | No |
| Construct Diversion Ditch | No |
| Contaminated Soil | Yes, around Pumping Unit (will be removed), other areas (on map) |
| Construct Silt Trap | No, recontour site |
| Recontour Disturbed Areas to Natural Terrain | Yes (Very minimal) |
| Location and Access Barricade | No, Road to West of Location to remain open (See Plat) and (See Plan Discussion) |



Site Reclamation Plat

Red indicated areas of soil to be removed during Reclamation of Site

ACCESS ROAD

| | |
|--------------------|------------------------|
| Access Length | Minimal |
| Remediation Method | Portion of Pad |
| Culverts | No |
| Cattle Guard | No |
| Other | Fence off with Signage |

PIPELINE

| | |
|------------------|--------------------|
| Pipeline Company | DJR Operating, LLC |
| Relocate Riser | No |
| Other | N/A |

GRAZING

N/A

GENERAL RECLAMATION PLAN NARRATIVE

On November 27, 2018, an on-site to discuss Surface Reclamation was conducted with attendees, Cassandra Gould of FIMO, Randy McKee of the BLM FFO, and DJR Operating, LLC Representative, Paul Lehrman. The following was discussed:

Re-contour the well site using materials from the existing site (shown on plat) as much as possible (Very minimal). Site is basically flat. Spread soil from all areas on reclaimed pad before reseeding. Feather areas taken to pad level.

Reclamation work will begin in 2019 (to be determined) (to allow for better seed germination), and after the submitted approved plugging Sundry. No new disturbance will be allowed outside current disturbed areas except as noted herein. Notification will be provided via e-mail, or phone to Randy McKee. This will be done 48 hours prior to starting dirt work. Randy McKee email: rmckee@blm.gov and cell 505-793-1834. Cassandra Gould email: cassandra.gould@bia.gov and phone (cell) 505-252-0835.

All fences (if any), production equipment, concrete slabs, anchors, flowlines (within pad area), risers if any, (cut at pipeline depth), tanks, debris, and trash will be removed from location and disposed of at the proper facilities.

The reclaimed areas of the pad and all of the access road from main road to well site to be ripped to depths of a minimum of 12", leaving the surface as rough as needed, to provide sufficient root establishment, growth, and stabilization of disturbed areas.

A barrier fence with signage will be installed at the access road entrance to detour traffic to the reclaimed access road/pad.

All Seed will be distributed via drill seeding.

**BLM FLUID MINERALS
Geologic Report**

Date Completed: 4/12/19

| | | | | | | | |
|----------------|------------------------|------------|----------------------|-----|-------|------------|-----|
| Well No. | Central Bisti Unit #70 | Location | 660' | FSL | & | 660' | FWL |
| Lease No. | 14-20-603-321 | Sec. 4 | T25N | | | R12W | |
| Operator | DJR Operating, LLC | County | San Juan | | State | New Mexico | |
| Total Depth | -----' | PBTD 4972' | Formation Gallup | | | | |
| Elevation (GL) | ' | | Elevation (KB) 6168' | | | | |

| Geologic Formations | Est. Top | Est. Bottom | Log Top | Log Bottom | Remarks |
|---------------------|-----------|-------------|---------|------------|-----------------------------|
| San Jose Fm | | | | | Surface/Fresh water sands |
| Nacimiento Fm | Surface | | | | Fresh water sands |
| Ojo Alamo Ss | 107 est. | | | | Aquifer (fresh water) |
| Kirtland Shale | 187 est. | | | | |
| Fruitland Fm | 814 | 1102 | | | Coal/Gas/Possible water |
| Pictured Cliffs Ss | 1102 | 1527 | | | Gas |
| Lewis Shale | 1351 est. | 1750 | | | |
| Chacra (Lower) | 3059 | | | | Probable water or dry |
| Cliff House Ss | | | | | Water/Possible gas |
| Menefee Fm | | | | | Coal/Ss/Water/Possible O&G |
| Point Lookout Ss | 3571 est | 3745 | | | Probable water/Possible O&G |
| Mancos Shale | 3745 | 4600 | | | |
| Gallup | 4600 | TD | | | O&G/Water |
| Greenhorn (base) | | | | | |
| Dakota Ss | | | | | |

Prepared by: Dave Mankiewicz