

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**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.*

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

5. Lease Serial No.  
NMNM109385

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

7. If Unit or CA/Agreement, Name and/or No.  
NMNM135367A

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

8. Well Name and No.  
VENADO CANYON UNIT 203H

2. Name of Operator  
DJR OPERATING LLC  
Contact: ALICE MASCARENAS  
E-Mail: amascarenas@djrlc.com

9. API Well No.  
30-043-21289-00-X1

3a. Address  
1600 BROADWAY SUITE 1960  
DENVER, CO 80202  
3b. Phone No. (include area code)  
Ph: 505-632-3476

10. Field and Pool or Exploratory Area  
BASIN MANCOS

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 12 T22N R6W NWSW 1320FSL 137FWL  
36.148388 N Lat, 107.428886 W Lon

11. County or Parish, State  
SANDOVAL 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 type="checkbox"/> Recomplete	<input checked="" 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 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.

**Installation of Gas Lift**

DJR Operating, LLC is requesting authorization to install gas lift at he Venado Canyon Unit 203H well. Attached is a schematic of the pad with the gas lift and the gas allocation procedure.

NMOC

OCT 16 2013

DISTRICT III

14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #487562 verified by the BLM Well Information System  
For DJR OPERATING LLC, sent to the Farmington  
Committed to AFMSS for processing by JOHN HOFFMAN on 10/16/2019 (20JH0034SE)**

Name (Printed/Typed) ALICE MASCARENAS

Title REGULATORY TECHNICIAN

Signature (Electronic Submission)

Date 10/11/2019

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By JOHN HOFFMAN

Title PETROLEUM ENGINEER

Date 10/16/2019

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 Farmington

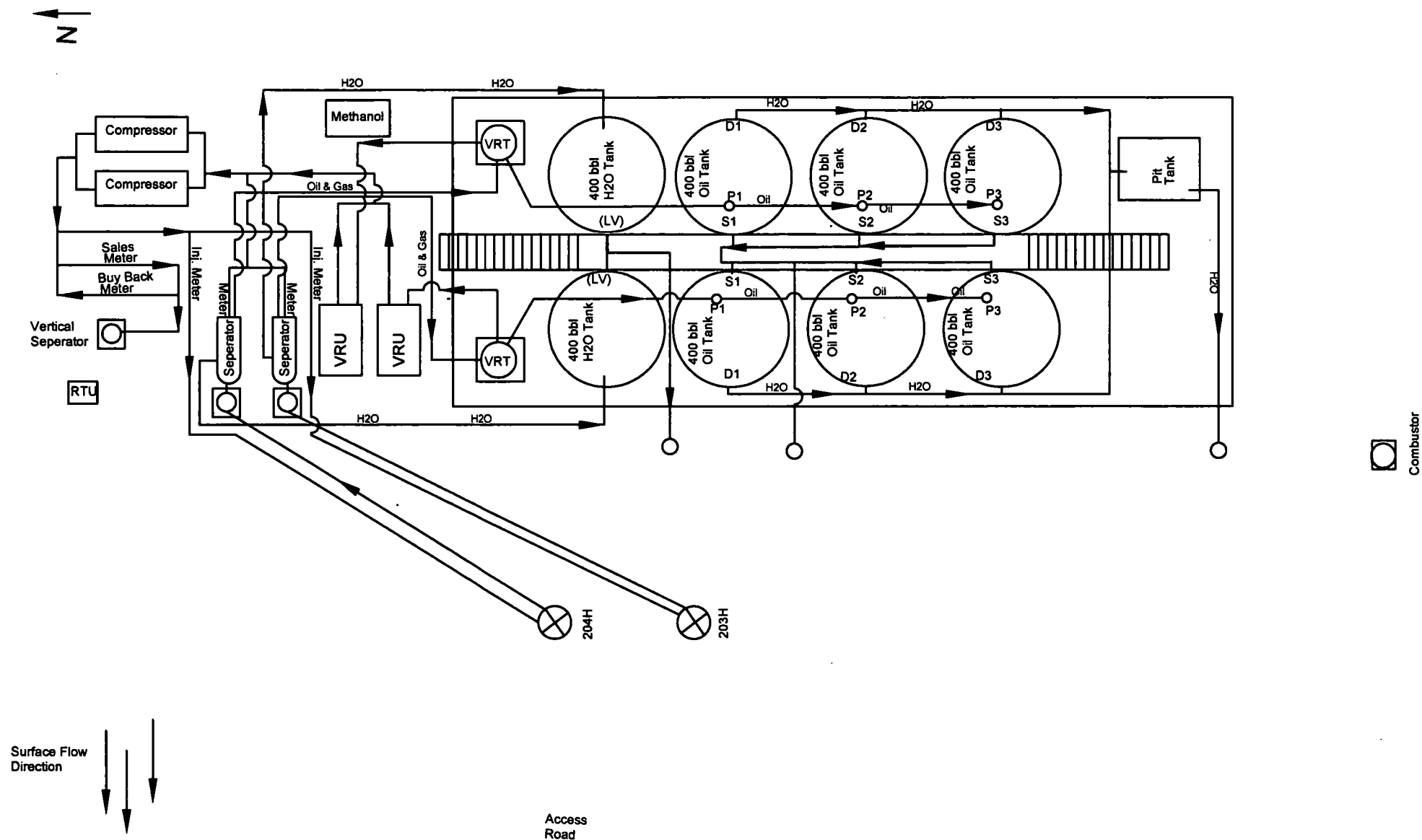
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

17

1



## DJR Operating LLC

Venado Canyon Unit 203H  
Lease # NMNM 109385  
Unit Lease # NMNM 135367A  
API # 30-043-21289  
T22N, R6W, Sec 12

(DV)=Drain Valve  
(SV)=Sales Valve  
(PV)=Production Valve  
(LV)=Load Valve

Production Valves on the  
Oil Tanks will be sealed  
during Oil Sales.

00950-58734

DJR Operating, LLC  
Venado Canyon Unit 203H  
Sandoval County, New Mexico

**Individual Well Gas Production**

- Allocated Gas production off lease, MCF:  $\{(W_1-R_1)/((W_1-R_1) + (W_2-R_2) + (W_n-R_n))\} * (V)$
- On lease fuel usage, MCF. Determined from equipment specification and operating conditions. This includes, but is not limited to, compression, vapor recovery unit (VRU) compression, burners, and pump jacks.
- Lost and/or vented gas from well and/or lease equipment, MCF. Calculated using equipment and piping specifications and operating pressures.
- Allocated fuel from gathering system equipment, MCF. The total fuel required to operate gathering system equipment will be allocated to the individual wells benefiting from the equipment using allocation factors determined by  $\{(W_1-R_1)/((W_1-R_1) + (W_2-R_2) + (W_n-R_n))\}$ .
- Allocated volume of gas lost and/or vented from the gathering system, gathering system equipment, condensate collection, and water collection in MCF. The total volume will be determined using industry accepted procedures the time of the loss. The total volumes lost and/or vented will be allocated to the individual wells affected using factors determined  $\{(W_1-R_1)/((W_1-R_1) + (W_2-R_2) + (W_n-R_n))\}$ .

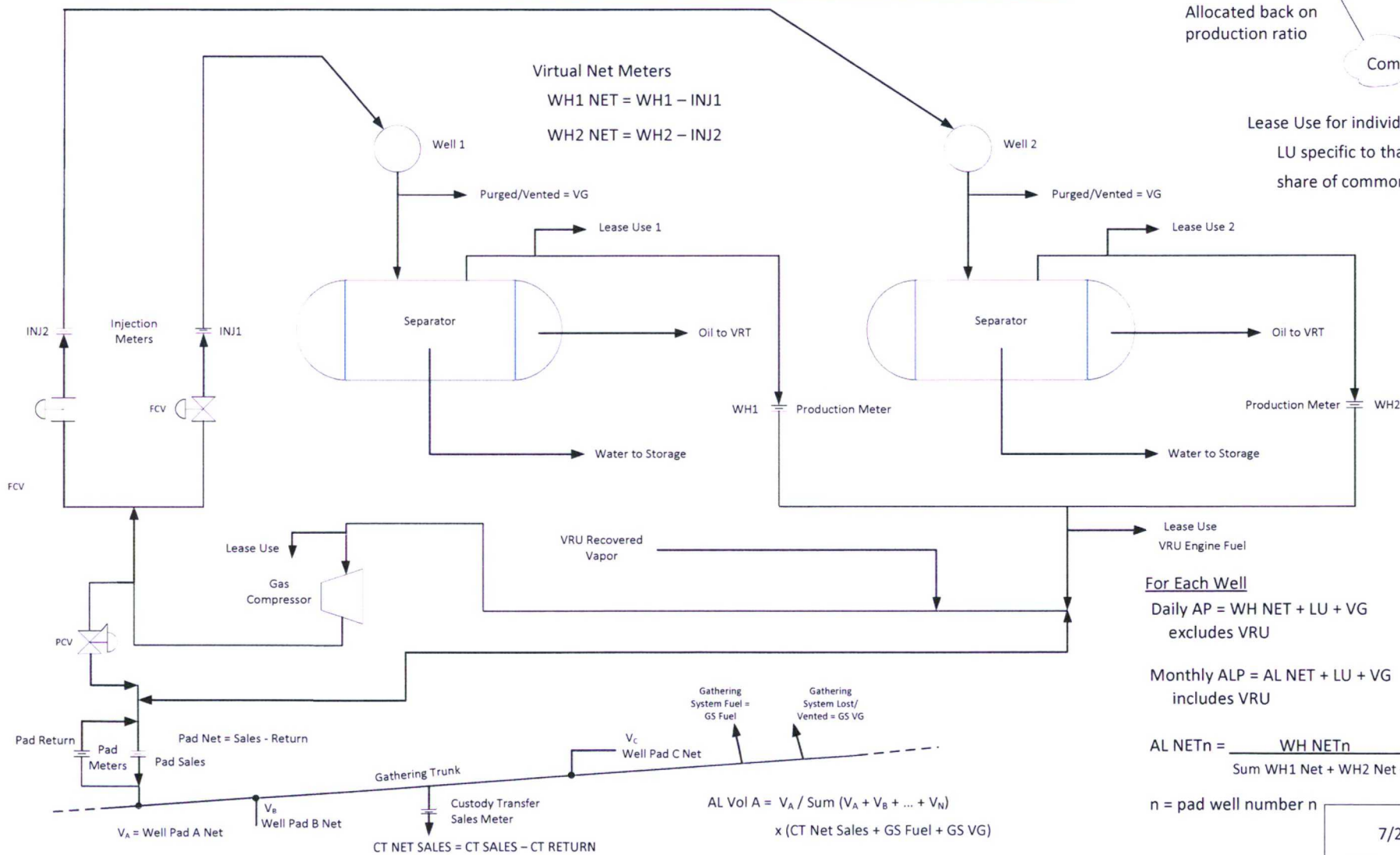
**Individual Well BTU'S**

- Individual well gas heating values to be determined in accordance with BLM regulations.

## Measurement & Allocation – Sketch E

AP = Actual Production  
ALP = Allocated Production

Multi well pad connected to gathering trunk line



7/28/2014 Status