State of New Mexico
Energy, Minerals and Natural Resources Department



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: 7/30/2019
Well information:

**30-039-23193 JICARILLA 362 GD #002**
DJR OPERATING, LLC
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 NMOCD 24hrs prior to beginning operations.
- Add additional plug 5,870'- 5,770'to cover the Gallup top. OCD Gallup pick @ 5,820'.
- Extend plug #5 to 2,195' – 1,870' to cover the Ojo Alamo top. OCD Ojo Alamo pick @ 2,145'.
- Add additional plug 1,020'-920''to cover the Nacimiento top. OCD Nacimiento pick @ 970'.

Brandon Powell
NMOCD Approved by Signature

11/15/19
Date

Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
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.***

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

5. Lease Serial No.
JIC362

6. If Indian, Allottee or Tribe Name
JICARILLA APACHE

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

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

8. Well Name and No.
JICARILLA 362 GD 2

2. Name of Operator
DJR OPERATING LLC
Contact: SHAW-MARIE CRUES
E-Mail: scrues@djrllc.com

9. API Well No.
30-039-23193-00-S1

3a. Address
1600 BROADWAY SUITE 1600
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 505-632-3476

10. Field and Pool or Exploratory Area
SOUTH LINDRITH

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 5 T23N R4W NESW 1980FSL 1980FWL

11. County or Parish, State
RIO ARRIBA COUNTY, NM

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|---|---|
| ☒ Notice of Intent | ☐ Acidize | ☐ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| ☐ Subsequent Report | ☐ Alter Casing | ☐ Hydraulic Fracturing | ☐ Reclamation | ☐ Well Integrity |
| ☐ Final Abandonment Notice | ☐ Casing Repair | ☐ New Construction | ☐ Recomplete | ☐ Other |
| | ☐ Change Plans | ☒ Plug and Abandon | ☐ Temporarily Abandon | |
| | ☐ Convert to Injection | ☐ Plug Back | ☐ 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 requests permission to Plug & Abandon the subject well per the attached procedure, wellbore diagram, and Reclamation Plan.

NMOCD

OCT 18 2019

DISTRICT III

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

**Electronic Submission #475879 verified by the BLM Well Information System**
**For DJR OPERATING LLC, sent to the Rio Puerco**
**Committed to AFMSS for processing by ALBERTA WETHINGTON on 08/05/2019 (19AMW0031SE)**

Name *(Printed/Typed)* SHAW-MARIE CRUES — Title HSE TECHNICIAN

Signature (Electronic Submission) — Date 07/30/2019

### THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JOE KILLINS — Title PETROLEUM ENGINEER — Date 10/17/2019

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 Rio Puerco

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 ****

NMOCD

**UNITED STATES DEPARTMENT OF THE INTERIOR**
**BUREAU OF LAND MANAGEMENT**
**FARMINGTON DISTRICT OFFICE**
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Jicarilla 362 GD 2

**CONDITIONS OF APPROVAL**

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.

3. Submit electronic copy of the CBL for verification to the following addresses: jkillins@blm.gov , jhoffman@blm.gov and Brandon.Powell@state.nm.us . Based on CBL results inside/outside plugs and volumes will be adjusted accordingly. Please review the Genereal Requirements document to ensure volumes meet required excess inside and outside casing.

4. Modify plug 5: BLM picks top of Ojo Alamo 1870' md. Add to plug 5 or add an additional plug to cover entire Ojo Alamo (1870'-2130' md)

5. Modify plug 6: BLM picks top of Nacimiento 650' md. Adjust plug to cover (600' – 700' md)

DWS

# DJR Operating LLC

## Plug And Abandonment Procedure

**Jicarilla 362 GD #002**

1980' FSL & 1980' FWL, Section 05, T23N, R4W

San Juan County, NM / API 30-045-23193

1. Hold pre-job safety meeting. Comply with all NMOCD, BLM safety and environmental regulations. Test rig anchors prior to moving in rig if not rigged to base beam.

2. Check casing, tubing, and bradenhead pressures.

3. Remove existing piping on casing valve. RU blow lines from casing valves and begin blowing down casing pressure. Kill well as necessary. Ensure well is dead or on a vacuum.

4. ND wellhead and NU BOP. Function test BOP.

5. P/U 5-1/2" bit or casing scraper on 2-3/8" workstring and round trip as deep as possible above top perforation at 5488'.

6. P/U 5-1/2" CR, TIH and set CR at +/- 5438'. Pressure test tubing to 1000 psi. Sting out of CR. Load hole, and pressure test casing to 800 psi. If casing does not test, then spot or tag subsequent plugs as appropriate. POOH w/ tubing.

7. RU wireline and run CBL with 500 psi on casing from CR at 5438' to surface to identify TOC. Adjust plugs as necessary for new TOC. Email log copy to

Jack Savage (BLM) at jwsavage@blm.gov and Brandon Powell at Brandon.powell@state.nm.us upon completions of logging operations.

8. Rig up to pump cement down tubing. Pump water to establish rate down tubing.

   **NOTE: All Plugs Include 100% excess outside casing and 50% Excess inside casing**

9. Plug 1 (**Gallup Perforations and Formation Top, 5438'-5338', 12 Sacks Class G Cement**)

   Mix 12 sx Class G cement and spot a balanced plug inside casing to cover the Gallup perforations and formation top.

10. Plug 2 (**Mancos and Point Lookout Formation Tops 5040'-4670', 43 Sacks Class G Cement)**

    Mix 43 sx Class G cement and spot a balanced plug inside casing to cover the Mancos and Point Lookout formation tops.

11. Plug 3 (**Mesa Verde(Menefee, Cliffhouse) Formation Tops 4285'-4055', 27 Sacks Class G Cement)**

    Mix 27 sx Class G cement and spot a balanced plug inside casing to cover the Mesa Verde(Menefee, Cliffhouse) formation tops.

12. Plug 4 (**Chacra Formation Top 3503'-3353', 18 Sacks Class G Cement)**

    Mix 18 sx Class G cement and spot a balanced plug inside casing to cover the Chacra formation top.

13. Plug 5 **(Pictured Cliffs, Fruitland, DV Tool, Kirtland, and Ojo Alamo Formation Tops 2678'-2045', 73 Sacks Class G Cement)**

    Mix 73 sx Class G cement and spot a balanced plug inside casing to cover the Pictured Cliffs, Fruitland, DV Tool, Kirtland, and Ojo Alamo formation tops.

14. Plug 6 **(Nacimiento Formation Top 1150'-1000', 18 Sacks Class G Cement)**

    Mix 18 sx Class G cement and spot a balanced plug inside casing to cover the Nacimiento formation top.

15. Plug 7 **(Surface Shoe and Surface 371'-surface, 120 Sacks Class G Cement)**

    Attempt to pressure test the bradenhead annulus to 300 psi; note the volume to load. If BH annulus holds pressure, then establish circulation out casing valve with water. Mix approximately 120 sx cement and spot a balanced plug from 371' to surface, circulate good cement out of casing valve. TOH and LD tubing. Shut well in and WOC. If BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing from 371' and the annulus from the squeeze holes to surface. Shut in well and WOC.

16. 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 restore location per BLM stipulations.

# Wellbore Diagram

**Jicarilla 362 GD #002**
**API #: 3004523193**
**San Juan County, New Mexico**

**Plug 7**
371 feet - Surface
371 feet plug
120 sacks of Class G Cement

**Plug 6**
1150 feet - 1000 feet
150 feet plug
18 sacks of Class G Cement

**Plug 5**
2678 feet - 2045 feet
633 feet plug
73 sacks of Class G Cement

**Plug 4**
3503 feet - 3353 feet
150 feet plug
18 sacks of Class G Cement

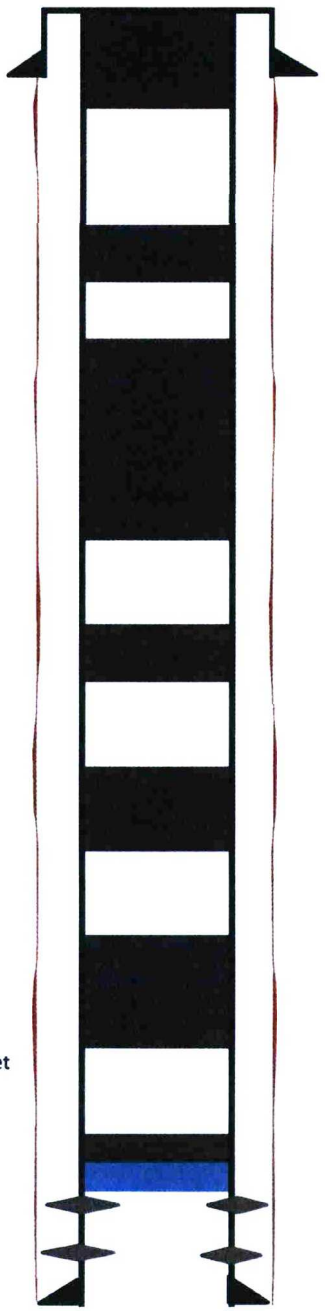
**Plug 3**
4285 feet - 4055 feet
230 feet plug
27 sacks of Class G Cement

**Plug 2**
5040 feet - 4670 feet
370 feet plug
43 sacks of Class G Cement

**Plug 1**
5438 feet - 5338 feet
100 feet plug
12 sacks of Class G Cement

**Surface Casing**
**8.625" 24# @ 231 ft**

**Formation**
**Ojo Alamo - 2145 ft**
**Fruitland - 2538 ft**
**Pictured Cliffs - 2628 ft**
**Chacra - 3453 ft**
**Cliff House - 4155 ft**
**Menefee - 4235 ft**
**Point Lookout - 4770 ft**
**Mancos - 4990 ft**
**Gallup - 5818 ft**
**Dakota - 6941 ft**



**Retainer @ 5865' feet**

**Production Casing**
**5.5" 17# @ 7186 ft**

# GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON FIELD OFFICE

1.0 The approved plugging plans may contain variances from the following minimum general requirements.

1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.

1.2 Requirements may be added to address specific well conditions.

2.0 Materials used must be accurately measured. (densometer/scales)

3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.

3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.

4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.

4.1 The cement shall be as specified in the approved plugging plan.

4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.3 Surface plugs may be no less than 50' in length.

4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.

4.6 **A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.**

5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.

5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.

5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.

5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.

6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain $H_2S$.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.

9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.