Type or print name Shaw-Marie Ford E-mail address: sford@djrllc.com PHONE: 505-716-3297

For State Use Only

APPROVED BY: TITLE District III Geologist DATE 12/7/2020

Conditions of Approval (if any):

Plug and Abandonment Procedure

for

DJR Operating, LLC

Bisti Coal 2 2

API # 30-045-27572

SW/SW, Unit M, Sec. 2, T25N, R12W

San Juan County, NM

I.

- 1. Hold pre-job meeting, comply with all NMOCD, BLM and environmental regulations.
- 2. Check and record tubing, casing and bradenhead pressures.
- 3. Remove existing piping from casing valve, RU blow lines from casing valves and blow down casing pressure. Kill well as necessary. Ensure that well is dead or on a vacuum.
- 4. Trip out of hole with rods and pump. Lay down to be sent in for storage/salvage.
- 5. ND WH, NU BOP, function test BOP.
- 6. Trip out of hole with 2 3/8" tubing. LD tubing to be sent in for storage/salvage.

II.

- 7. PU workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 1110'. TOOH.
- 8. PU and RIH with a 4 ½" cement retainer. Set the CR at +/- 1110'. Pressure test tubing to 1000 psi, sting out of CR, test casing to 600 psi. If casing does not test, contact engineering.

Provided that casing test was good, proceed to step 9.

- 9. RU cement equipment. Pump water to assure that tubing is clear.
- 10. Plug 1. Mix and attempt to pump 10 sx class G cement through cement retainer and displace with 5.1 bbl water. If zone pressures up, sting back out of retainer and continue with Plug 2.

- 11. Plug 2. Fruitland, Kirtland, Ojo Alamo, and surface casing shoe. From 1110' to surface, mix and pump cement until cement circulation is achieved at surface.
- 12. RD cementing equipment. Cut off wellhead, fill annuli with cement as necessary. Install P&A marker as per regulatory requirements. Record GPS coordinates for P&A marker and the final P&A report. Photograph the P&A marker and attach to the report.
- 13. RD and MO all rig and cement equipment. Assure that location is free of trash and contamination before moving off.
- 14. Send all reports and attachments to DJR Aztec office for regulatory filings.

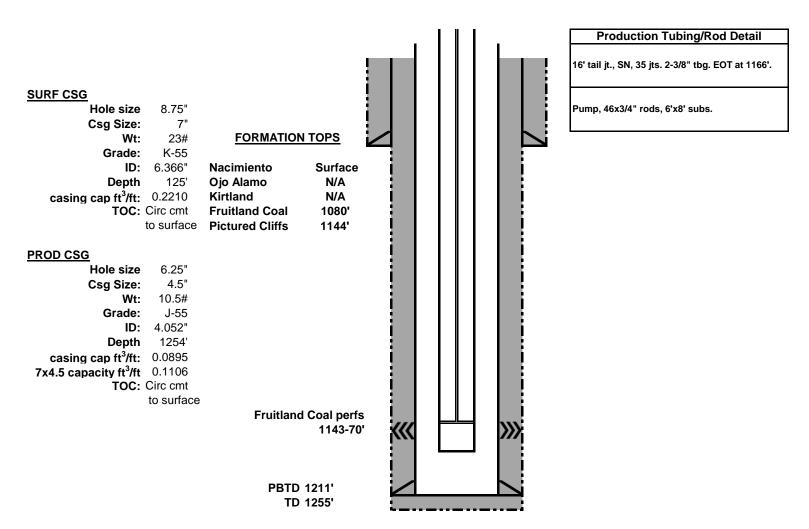
Note: All cement is to be Class G mixed at 15.8 ppg, yield 1.15 cu ft / sx. Cement volumes are based on inside capacities +50° excess and outside capacities +100 % excess.

DJR Operating, LLC Current Wellbore Diagram

Bisti Coal 22

API # 30-045-27572 SW/SW, Unit M, Sec 2, T25N, R12W San Juan County, NM

GL 6284' KB N/A Spud Date 2/7/1990

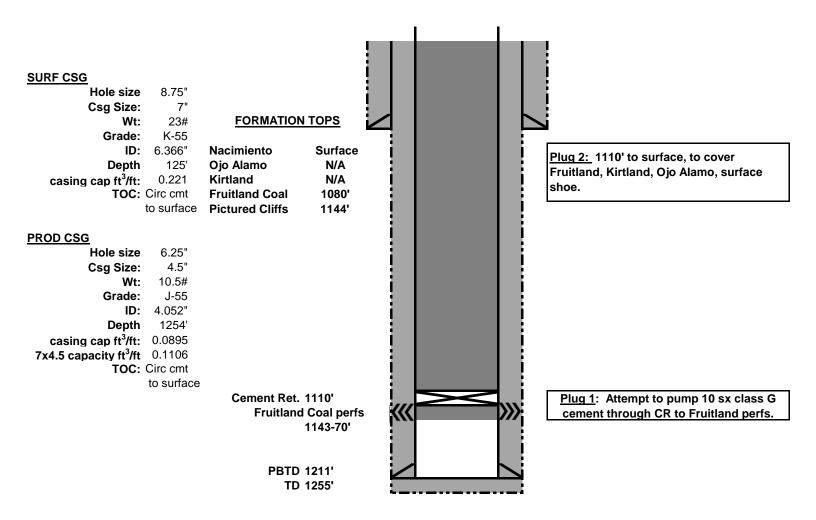


DJR Operating, LLC Proposed Wellbore Diagram

Bisti Coal 2 2

API # 30-045-27572 SW/SW, Unit M, Sec 2, T25N, R12W San Juan County, NM

GL 6284' KB N/A Spud Date 2/7/1990



<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 12706

CONDITIONS OF APPROVAL

Operator:			OGRID:	Action Number:	Action Type:
DJR OPERATING, LLC 1 F	Road 3263 A	Aztec, NM87410	371838	12706	C-103F

OCD Reviewer	Condition
ahvermersch	None