

|                                      |  |   |
|--------------------------------------|--|---|
| <b>Well Name:</b> CENTRAL BISTI UNIT | <b>Well Location:</b> T25N / R12W / SEC 10 / SWNW / 36.41745 / -108.104889 | <b>County or Parish/State:</b> SAN JUAN / NM  |
| <b>Well Number:</b> 60               | <b>Type of Well:</b> OIL WELL  | <b>Allottee or Tribe Name:</b> EASTERN NAVAJO |
| <b>Lease Number:</b> 14206031449     | <b>Unit or CA Name:</b> CENTRAL BISTI UNIT                                 | <b>Unit or CA Number:</b> NMNM78386X          |
| <b>US Well Number:</b> 3004505492    | <b>Well Status:</b> Producing Oil Well                                     | <b>Operator:</b> DJR OPERATING LLC            |

**Notice of Intent**

**Type of Submission:** Notice of Intent

**Type of Action:** Plug and Abandonment

**Date Sundry Submitted:** 08/16/2021

**Time Sundry Submitted:** 01:22

**Date proposed operation will begin:** 08/16/2021

**Procedure Description:** DJR Operating, LLC requests permission to Plug & Abandon the subject well according to the attached Procedure, Current & Proposed Wellbore Diagram and Reclamation Plan.

**Surface Disturbance**

**Is any additional surface disturbance proposed?:** No

**NOI Attachments**

**Procedure Description**

- Central\_Bisti\_Unit\_60\_Reclamation\_Plan\_\_20210816132154.pdf
- Central\_Bisti\_Unit\_60\_Current\_WBD\_20210816132154.pdf
- Central\_Bisti\_Unit\_60\_PXA\_Procedure\_\_20210816132154.pdf
- Central\_Bisti\_Unit\_60\_Proposed\_WBD\_20210816132154.pdf

**Well Name:** CENTRAL BISTI UNIT

**Well Location:** T25N / R12W / SEC 10 / SWNW / 36.41745 / -108.104889

**County or Parish/State:** SAN JUAN / NM

**Well Number:** 60

**Type of Well:** OIL WELL

**Allottee or Tribe Name:** EASTERN NAVAJO

**Lease Number:** 14206031449

**Unit or CA Name:** CENTRAL BISTI UNIT

**Unit or CA Number:** NMNM78386X

**US Well Number:** 3004505492

**Well Status:** Producing Oil Well

**Operator:** DJR OPERATING LLC

### Conditions of Approval

#### Additional Reviews

General\_Requirement\_PxA\_20210827165903.pdf

2629153\_NOIA\_60\_3004505492\_KR\_08272021\_20210827165851.pdf

#### Authorized Officer

25N12W10EKg\_Central\_Bisti\_Unit\_60\_20210827170143.pdf

### Operator Certification

*I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.*

**Operator Electronic Signature:** SHAW-MARIE FORD

**Signed on:** AUG 16, 2021 01:21 PM

**Name:** DJR OPERATING LLC

**Title:** Regulatory Specialist

**Street Address:** 1 Road 3263

**City:** Aztec

**State:** NM

**Phone:** (505) 632-3476

**Email address:** sford@djrlc.com

### Field Representative

**Representative Name:**

**Street Address:**

**City:**

**State:**

**Zip:**

**Phone:**

**Email address:**

### BLM Point of Contact

**BLM POC Name:** KENNETH G RENNICK

**BLM POC Title:** Petroleum Engineer

**BLM POC Phone:** 9708783846

**BLM POC Email Address:** krennick@blm.gov

**Disposition:** Approved

**Disposition Date:** 08/27/2021

**Signature:** Kenneth Rennick

**Plug and Abandonment Procedure**  
**for**  
**DJR Operating, LLC**  
**Central Bisti Unit 60**  
**API # 30-045-05492**  
**SW/NW, Unit E, Sec. 10, T25N, R12W**  
**San Juan County, NM**

**Note: This well was drilled and cased with 5.5” 15.5# casing. Inspection logs revealed casing corrosion. As a result, 4.5” (4.00” ID) flush joint casing was run from 4901-1401’ and cemented.**

**I.**

1. Hold Pre job meeting, comply with all NMOCD, BLM and environmental regulations.
2. MIRU prep rig.
3. Check and record tubing, casing and bradenhead pressures.
4. 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.
5. MIRU hot oil unit, pump hot water to clear rods and tubing of paraffin.
6. Trip out of hole with rods and pump. Lay down to be sent in for storage/salvage.
7. Unset TAC.
8. ND WH, NU BOP, function test BOP.
9. Trip out of hole with 2 3/8” tubing. LD tubing to be sent in for storage/salvage.
10. RDMO prep rig to next location.

**II.**

11. MIRU P&A rig and equipment.

12. Plug 1: Gallup perforations and top: PU workstring. TIH to 4854'. Mix and spot a balanced plug from 4854-4632'. TOO. WOC.
13. MIRU logging truck. Roll hole. Run CBL log from TOC to surface. Hold 600 psi on casing if possible. Electronic copy of CBL to be sent to; Brandon Powell, NMOCD [brandon.powell@state.nm.us](mailto:brandon.powell@state.nm.us), Monica Kuehling NMOCD [mkuehling@state.nm.us](mailto:mkuehling@state.nm.us) Joe Killins, BLM [jkillins@blm.gov](mailto:jkillins@blm.gov), John Hoffman, BLM [jhoffman@blm.gov](mailto:jhoffman@blm.gov), Scott Lindsay, DJR [slindsay@djrlc.com](mailto:slindsay@djrlc.com), and Loren Diede, DJR [ldiede@djrlc.com](mailto:ldiede@djrlc.com).
14. TIH and tag TOC. TOO.
15. Plug 2. Mancos: Perforate holes at 3823'. PU and TIH with 4-1/2" CR. Set CR at 3773'. Pressure test tubing to 1000 psi, sting out of CR, test casing to 600 psi. If casing does not test, contact engineering. Sting back into CR. Mix and pump cement through CR inside and outside from 3823-3723'. Spot 50' on top of CR. Pump water to ensure tubing is clear. TOO.
16. Plug 3. Mesa Verde: Perforate holes at 1930'. Set CR at 1880'. Mix and pump cement through CR inside and outside from 1930-1830'. Spot 50' on top of CR. Pump water to ensure tubing is clear. TOO.
17. Plug 4. Chacra: Perforate holes at 1530'. Set CR at 1480'. Mix and pump cement through CR inside and outside from 1530-1430'. Spot 50' on top of CR. Pump water to ensure tubing is clear. TOO.
18. Plug 5. Pictured Cliffs and Fruitland: Perforate holes at 1244'. Set CR at 1194'. Mix and pump cement through CR inside and outside from 1244-746'. Spot 424' on top of CR. Pump water to ensure tubing is clear. TOO.
19. Plug 6: Kirtland and Ojo Alamo tops: Perforate holes at 643'. Set CR at 593'. Mix and pump cement through CR inside and outside from 643-361'. Spot 232' on top of CR. Pump water to ensure that tubing is clear. TOO.
20. Plug 7: Surface shoe and surface plug: Perforate holes at 262'. Tie on to 5 1/2" casing and mix and pump inside and outside from 262' to surface with cement.
21. RD cementing equipment. Cut off wellhead, fill any exposed annulus 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.

22. RD and MO all rig and cement equipment. Assure that location is free of trash and contamination before moving off.
23. 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.**

**Current Wellbore Diagram  
DJR Operating, LLC  
Central Bisti Unit 60**

API # 30-045-05492  
SW/NW, Unit E, Sec 10, T25N, R12W  
San Juan County, NM

GL 6207'  
KB 6219'  
Spud Date 4/4/1957

SURF CSG

Hole size 13.75"  
Csg Size: 9.625"  
Wt: 36#  
Grade: N/A  
ID: 8.921"  
Depth 212'  
Csg cap ft<sup>3</sup>: 0.4340  
TOC: N/A

FORMATION TOPS

|                 |         |
|-----------------|---------|
| Nacimiento      | Surface |
| Ojo Alamo       | 411'    |
| Kirtland        | 593'    |
| Fruitland       | 796'    |
| Pictured Cliffs | 1120'   |
| Chacra          | 1480'   |
| Mesa Verde      | 1880'   |
| Mancos          | 3773'   |
| Gallup          | 4810'   |

PROD CSG

Hole size 7.875"  
Csg Size: 5.5"  
Wt: 15.5#  
Grade: N/A  
ID: 4.950"  
Depth 4967'  
Csq cap ft<sup>3</sup>: 0.1336  
Csg/Csg Ann ft<sup>3</sup>: 0.2691  
Csg/OH cap ft<sup>3</sup>: 0.1733  
TOC: N/A

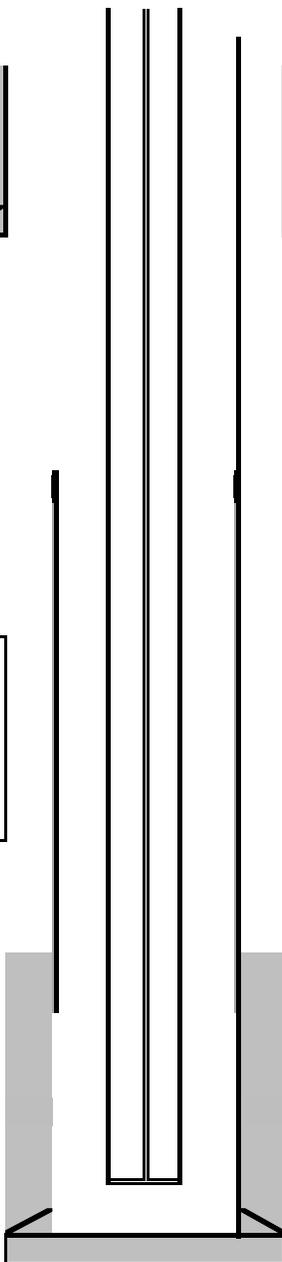
The 5 .5" csg developed a casing leak and had numerous zones of corrosion below 1600'. A 4-1/2" 11.6# FL scab liner was run from 4901-1401'. Cemented with 250 sx.

|                           |        |
|---------------------------|--------|
| 4.5" FL4S in 5.5" 15#     | 4901'  |
| ID.                       | 4.000" |
| Csg cap ft <sup>3</sup> : | 0.0872 |

|   |
|---|
| <b>Prod Tubing Detail:</b>  |
| 2-3/8" MA, SN, 112 jts. 2-3/8" tbg with slim hole collars. 40 jts. With regular collars. EOT at 4850'. SN at 4803'. |

|  |
|--|
| <b>Rod Detail:</b>   |
| 2"x1-1/2"x16' RWAC pump, 3/4" rods, 1-1/4"x22' polished rod with 1-1/2"x10' liner. |

|  |
|--|
| <b>Scab liner top at 1401'</b>   |
| 275 sx cement squeezed into casing leak behind the 4-1/2" liner. CBL will be run to evaluate cement integrity. |



TOC 4448' (old CBL)  
4.5" FL4S in 5.5" 15.5# set at 4901'

Perfs 4682-4854'

COTD 4878'  
PBSD 4911'  
TD 4970'

**Proposed PXA Wellbore Diagram**  
**DJR Operating, LLC**  
**Central Bisti Unit 60**  
 API # 30-045-05492  
 SW/NW, Unit E, Sec 10, T25N, R12W  
 San Juan County, NM

GL 6207'  
 KB 6219'  
 Spud Date 4/4/1957

**SURF CSG**

Hole size 13.75"  
 Csg Size: 9.625"  
 Wt: 36#  
 Grade: N/A  
 ID: 8.921"  
 Depth 212'  
 Csg cap ft3: 0.434  
 TOC: N/A  
 0

**FORMATION TOPS**

|                 |         |
|-----------------|---------|
| Nacimiento      | Surface |
| Ojo Alamo       | 411'    |
| Kirtland        | 593'    |
| Fruitland       | 796'    |
| Pictured Cliffs | 1120'   |
| Chacra          | 1480'   |
| Mesa Verde      | 1880'   |
| Mancos          | 3773'   |
| Gallup          | 4810'   |

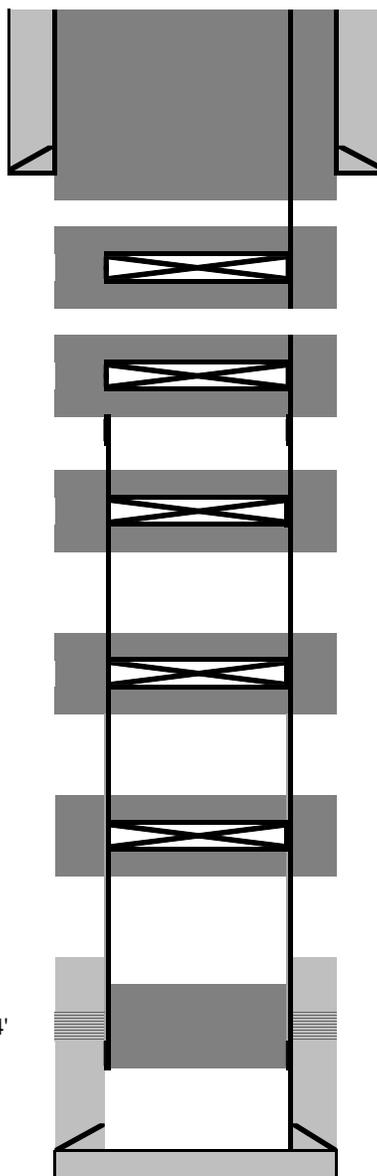
**PROD CSG**

Hole size 7.875"  
 Csg Size: 5.5"  
 Wt: 15.5#  
 Grade: N/A  
 ID: 4.950"  
 Depth 4967'  
 Csg cap ft3: 0.1336  
 Csg/Csg Ann ft3: 0.2691  
 Csg/OH cap ft3: 0.1733  
 TOC: N/A

|                       |        |
|-----------------------|--------|
| 4.5" FL4S in 5.5" 15# | 4901'  |
| ID:                   | 4.000" |
| Csg cap ft3:          | 0.0872 |

Perfs 4682-4854'

COTD 4878'  
 PBSD 4911'  
 TD 4970'



Plug 7: Surface shoe, Nacimiento top, surface plug: Perf holes at 262'. Tie onto 5-1/2" casing. Mix and pump sufficient volume to bring cement to surface inside and outside.

Plug 6: Kirtland and Ojo Alamo tops: Perf holes at 643'. Set CR at 593'. Squeeze below CR and bring cement to 361' inside and outside.

Plug 5: Pictured Cliffs and Fruitland: Perf holes at 1170'. Set CR at 1120'. Squeeze below CR and bring cement to 746' inside and outside.  
 Scab liner top at 1401'

Plug 4: Chacra: Perf holes at 1530'. Set CR at 1480'. Squeeze below CR and bring cement to 1430' inside and outside.

Plug 3: Mesa Verde: Perf holes at 1930'. Set CR at 1880'. Squeeze below CR and bring cement to 1830' inside and outside.

Plug 2: Mancos: Perf holes at 3823'. Set CR at 3773'. Squeeze below CR and bring cement to 3723' inside and outside.

Plug 1: Gallup perfs and top: Spot balanced plug from 4854-4632'.  
 4.5" FL4S in 5.5" 15.5# set at 4901'

**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<sub>2</sub>S.

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.

## BLM FLUID MINERALS Geologic Report

**Date Completed:** 7/27/2021

|  |                      |                           |     |       |            |     |
|--|----------------------|---------------------------|-----|-------|------------|-----|
| Well No. Central Bisti Unit 60 (API# 30-045-05492) | Location             | 1980                      | FNL | &     | 660        | FWL |
| Lease No. 14-20-603-1449                           | Sec. 10              | T25N                      |     |       | R12W       |     |
| Operator DJR Operating, LLC                        | County               | San Juan                  |     | State | New Mexico |     |
| Total Depth 4970'                                  | PBTD 4911'           | Formation Gallup (Mancos) |     |       |            |     |
| Elevation (GL) 6207'                               | Elevation (KB) 6219' |                           |     |       |            |     |

| Geologic Formations | Est. Top | Est. Bottom | Log Top | Log Bottom | Remarks                     |
|---------------------|----------|-------------|---------|------------|-----------------------------|
| San Jose Fm         |          |             |         |            |                             |
| Nacimiento Fm       |          |             | Surface | 411        | Surface/Fresh water sands   |
| Ojo Alamo Ss        |          |             | 411     | 593        | Aquifer (fresh water)       |
| Kirtland Shale      |          |             | 593     | 796        |                             |
| Fruitland Fm        |          |             | 796     | 1120       | Coal/Gas/Possible water     |
| Pictured Cliffs Ss  |          |             | 1120    | 1155       | Gas                         |
| Lewis Shale         |          |             | 1155    | 1465       |                             |
| Chacra              |          |             | 1465    | 1862       |                             |
| Cliff House Ss      |          |             | 1862    | 1988       | Water/Possible gas          |
| Menefee Fm          |          |             | 1988    | 3602       | Coal/Ss/Water/Possible O&G  |
| Point Lookout Ss    |          |             | 3602    | 3773       | Probable water/Possible O&G |
| Mancos Shale        |          |             | 3773    | 4680       |                             |
| Gallup              |          |             | 4680    | PBTD       | O&G/Water                   |
| Graneros Shale      |          |             |         |            |                             |
| Dakota Ss           |          |             |         |            | O&G/Water                   |

Remarks:

P & A

- BLM picks for the tops of the Gallup, Cliff House/Mesaverde and Chacra formations vary from operator picks. See recommended plug adjustments below.
- Bring the top of Plug #3 to 1812' to cover BLM pick for the top of the Cliff House/Mesaverde.
- Bring the top of Plug #4 to 1415' to cover BLM pick for the top of the Chacra.
- Log analysis of reference well #2 indicates the Nacimiento and Ojo Alamo sands investigated likely contain fresh water ( $\leq 5,000$  ppm TDS). P&A procedure has adequate plugs to protect any freshwater sands in this well bore.
- Gallup perforations @ 4682' – 4854'.

Reference Well:

1) **Formation Tops**  
Same

2) **Water Analysis**  
Giant E & P Co.  
Carson Unit #23  
1980' FSL, 1980' FEL  
Sec. 19, T25N, R11W  
GL 6438' KB 6447'

Prepared by: Chris Wenman

**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: Central Bisti Unit 60

**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. Note Joe Killins and John Hoffman are no longer with the BLM Farmington District Office. Please send any correspondence to Kenneth Rennick (BLM Petroleum Engineer; email [krennick@blm.gov](mailto:krennick@blm.gov); phone 505 564 7742)
4. The following modifications to your plugging program are to be made:
  - a) Adjust Plug 1 so that the balance plug will be from 4920 to 4632 feet. 50 feet below the bottom perforation at 4870 feet (from completion report).
  - b) Bring the top of Plug 3 to 1812 feet to cover BLM pick for the top of the Cliff House/ Mesaverde.
  - c) Bring the top of Plug 4 to 1415 to cover the BLM pick for the top of the Chacra.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.

K. Rennick 8/27/2021

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

**District II**  
 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

**District IV**  
 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 45021

**CONDITIONS**

|   |   |
|---|---|
| Operator:<br>DJR OPERATING, LLC<br>1 Road 3263<br>Aztec, NM 87410 | OGRID:<br>371838                                    |
|   | Action Number:<br>45021                             |
|   | Action Type:<br>[C-103] NOI Plug & Abandon (C-103F) |

**CONDITIONS**

| Created By | Condition   | Condition Date |
|------------|---|----------------|
| kpickford  | Notify NMOCD 24 Hours Prior to beginning operations | 9/1/2021       |
| kpickford  | Adhere to BLM approved plugs                        | 9/1/2021       |