

<b>Well Name:</b> AXI APACHE A	<b>Well Location:</b> T23N / R5W / SEC 9 / NWSE /	<b>County or Parish/State:</b> RIO ARRIBA / NM
<b>Well Number:</b> 7	<b>Type of Well:</b> CONVENTIONAL GAS WELL	<b>Allottee or Tribe Name:</b> JICARILLA APACHE
<b>Lease Number:</b> JIC77	<b>Unit or CA Name:</b>	<b>Unit or CA Number:</b>
<b>US Well Number:</b> 3003982398	<b>Well Status:</b> Producing Gas Well	<b>Operator:</b> DJR OPERATING LLC

**Notice of Intent**

**Sundry ID:** 2629144

**Type of Submission:** Notice of Intent

**Type of Action:** Plug and Abandonment

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

**Time Sundry Submitted:** 01:11

**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**

Reclamation\_Plan\_\_AXI\_Apache\_A7\_20210816131051.pdf

AXI\_Apache\_A\_7\_Proposed\_WBD\_20210816131051.pdf

AXI\_Apache\_A\_7\_Current\_WBD\_20210816131051.pdf

AXI\_Apache\_A\_7\_PxA\_Procedure\_20210816131051.pdf

**Well Name:** AXI APACHE A

**Well Location:** T23N / R5W / SEC 9 / NWSE /

**County or Parish/State:** RIO ARRIBA / NM

**Well Number:** 7

**Type of Well:** CONVENTIONAL GAS WELL

**Allottee or Tribe Name:** JICARILLA APACHE

**Lease Number:** JIC77

**Unit or CA Name:**

**Unit or CA Number:**

**US Well Number:** 3003982398

**Well Status:** Producing Gas Well

**Operator:** DJR OPERATING LLC

### Conditions of Approval

#### Additional Reviews

General\_Requirement\_PxA\_20211027094835.pdf

2629144\_NOIA\_7\_3003982398\_KR\_10272021\_20211027094744.pdf

23N05W09JKpc\_AXI\_Apache\_A\_7\_20211006154029.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 01:10 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:** 5055647742

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

**Disposition:** Approved

**Disposition Date:** 10/27/2021

**Signature:** Kenneth Rennick

**Plug and Abandonment Procedure**  
**for**  
**DJR Operating, LLC**  
**AXI Apache A 7**  
**API # 30-039-82398**  
**NW/SE, Unit J, Sec. 9, T23N, R5W**  
**Rio Arriba 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 1-1/4" 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 2050'. TOOH.
8. TIH to 2150'. Spot sufficient cement to bring TOC to 2110' inside open hole section and 4-1/2" casing. TOOH. WOC and tag. PU and TIH with 4-1/2" CR. Set the CR at 2047'. 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. Pictured Cliffs: Establish rate. Mix and attempt to squeeze 10 sx cement through CR. If zone pressures up, sting back out of CR. Pump water to ensure tubing is clear. TOOH.
11. 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), [v.lucero@blm.gov](mailto:v.lucero@blm.gov), Scott Lindsay, DJR [slindsay@djrlc.com](mailto:slindsay@djrlc.com), and Loren Diede, DJR [ldiede@djrlc.com](mailto:ldiede@djrlc.com).
12. Based on CBL, spot plug on top of CR to TOC, or as otherwise indicated.
13. Plug 2. Fruitland, Kirtland, and Ojo Alamo: RIH with wireline and perforate holes at as indicated by CBL. PU and TIH with 4-1/2" CR and set at as required by BLM/NMOCD. Establish rate. Squeeze below CR with sufficient cement to bring TOC to 1540' inside and outside. Pump water to ensure tubing is clear.
14. Plug 3. Nacimiento, surface casing shoe, surface: RIH with wireline. Perforate holes at 390'. Tie onto 4-1/2" casing. Establish rate. Mix and pump sufficient cement to bring cement to surface inside and outside 4-1/2" casing.
15. RD cementing equipment. Cut off wellhead, fill annuli with cement, as necessary. **Install SURFACE P&A marker as per BIA requirements.** Record GPS coordinates for P&A marker and the final P&A report. Photograph the P&A marker and attach to the report.
16. RD and MO all rig and cement equipment. Assure that location is free of trash and contamination before moving off.
17. 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. /sk. Cement volumes are based on inside capacities +50' and outside capacities + 100% excess.**

**Surface PxA marker is to be installed at surface, 12"x18", and exposed at the reclaimed GL surface.**

**DJR Operating, LLC**  
**Current Wellbore Diagram**  
**AXI Apache A 7**  
 API # 30-039-82398  
 NW/SE, Unit J, Sec 9, T23N, R5W  
 Rio Arriba County, NM

GL 6679'  
 KB 6690'  
 Spud Date 5/19/1965

SURF CSG

Hole size 12.25"  
 Csg Size: 9-5/8"  
 Wt: 36#  
 Grade: J-55  
 ID: 8.921"  
 Depth 179'  
 Csg/csg Ann. ft<sup>3</sup>/ft 0.4340  
 TOC: N/A

PROD CSG

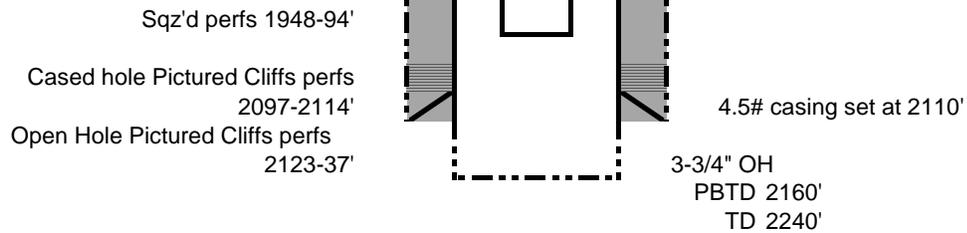
Hole size 7.875"  
 Csg Size: 4.5"  
 Wt: 9.5/11.6#  
 Grade: J-55/N-80  
 ID: 4.090"  
 Depth 2110'  
 Casing cap ft<sup>3</sup>/ft: 0.0912  
 Csg/csg Ann. ft<sup>3</sup>/ft 0.3236  
 Csg/OH ft<sup>3</sup>/ft 0.2278  
 TOC: 1721' (calc.)

FORMATION TOPS\*

San Jose	Surface
Nacimiento	340'
Ojo Alamo	1590'
Kirtland	1710'
Fruitland	1930'
Pictured Cliffs	2095'

\* Estimated. No open hole logs.

<b>Production Tubing Detail</b>
Possibly 66 jts. 1-1/4" IJ" tbg at 2125'. (4/6/1976)



**DJR Operating, LLC**  
**Proposed Wellbore Diagram**  
**AXI Apache A 7**  
**API # 30-039-82398**  
**NW/SE, Unit J, Sec 9, T23N, R5W**  
**Rio Arriba County, NM**

**GL 6679'**  
**KB 6690'**  
**Spud Date 5/19/1965**

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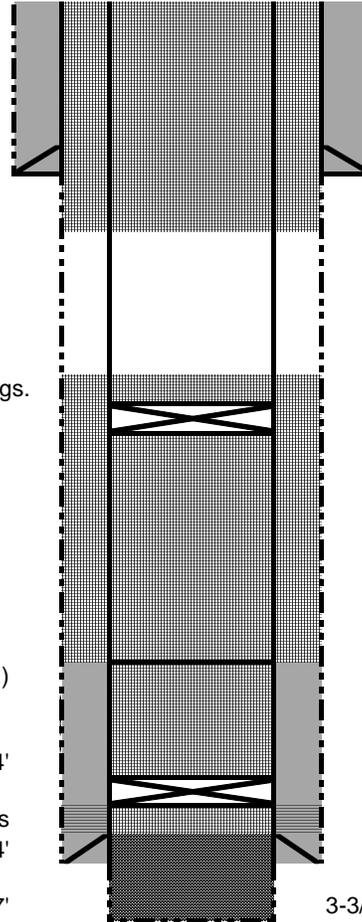
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Sqz'd perms 1948-94'

Cased hole Pictured Cliffs perms  
 2097-2114'

Open Hole Pictured Cliffs perms  
 2123-37'



**Plug 3:** Nacimiento, surface casing shoe, surface: Perf holes at 390'. Tie onto 4-1/2" casing. Mix and pump sufficient cement to bring cement to surface inside and outside 4-1/2" casing.

**Plug 2:** Run CBL. Fruitland, Kirtland, Ojo Alamo: Perf holes above TOC based on CBL. Set CR. Sqz below CR to bring TOC to 1540' inside and outside.

**Plug 1:** Pictured Cliffs: Spot cement plug from PBTD to 2110'. Set CR at 2047'. Attempt to pump 10 sx cement through CR. Spot cement inside to TOC in annulus.

4.5# casing set at 2110'  
 3-3/4" OH  
 PBTD 2160'  
 TD 2240'

**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: Axi Apache A 7

**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.

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 10/27/2021

**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.

(October 2012 Revision)

**BLM FLUID MINERALS  
P&A Geologic Report**

**Date Completed:** 10/06/2021

Well No. AXI Apache A #7 (API# 30-039-82398)	Location	1650	FSL	&	1650	FEL
Lease No. Jicarilla Apache 77	Sec. 09	T23N			R05W	
Operator DJR Operating, LLC	County	Rio Arriba		State	New Mexico	
Total Depth 2240'	PBTD 2160'	Formation Pictured Cliffs				
Elevation (GL) 6679'		Elevation (KB) 6690'				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm	Surface	340			
Nacimiento Fm	340	1590			Fresh water sands
Ojo Alamo Ss	1590	1710			Aquifer (fresh water)
Kirtland Shale	1710	1930			
Fruitland Fm	1930	2095			Coal/Gas/Possible water
Pictured Cliffs Ss	2095	PBTD			Gas
Lewis Shale					
Chacra (La Ventana)					
Cliff House Ss					Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos Shale					
Gallup					O&G/Water
Greenhorn					
Graneros Shale					
Dakota Ss					O&G/Water

Remarks:

P & A

- P&A procedure includes running a CBL prior to pumping any plugs.
- The plugs proposed in the P&A procedure will adequately protect any freshwater sands in this well bore.
- Pictured Cliffs perfs @ 2097' – 2137'. Fruitland perfs (squeezed) @ 1948' – 1994'.

Reference Well:

1) **Formation Tops**  
Humble Oil  
Jicarilla Apache #3  
990' FSL, 990' FWL  
Sec. 10, T23N, R05W  
GL 6749' DF 6758'

**Prepared by: Chris Wenman**

**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**

COMMENTS

Action 58135

**COMMENTS**

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 58135
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

**COMMENTS**

Created By	Comment	Comment Date
kpickford	KP GEO Review 11/8/2021	11/8/2021

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**State of New Mexico**  
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**1220 S. St Francis Dr.**  
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CONDITIONS  
 Action 58135

**CONDITIONS**

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 58135
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

**CONDITIONS**

Created By	Condition	Condition Date
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	11/8/2021
kpickford	CBL required	11/8/2021
kpickford	Adhere to BLM approved plugs	11/8/2021