**Well Name:** AXI APACHE C

**Well Location:** T23N / R5W / SEC 4 / SWSW / 36.249194 / -107.372308

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

**Well Number:** 1

**Type of Well:** CONVENTIONAL GAS WELL

**Allottee or Tribe Name:** JICARILLA APACHE

**Lease Number:** JIC39

**Unit or CA Name:**

**Unit or CA Number:**

**US Well Number:** 3003905147

**Well Status:** Producing Gas Well

**Operator:** DJR OPERATING LLC

## Notice of Intent

**Sundry ID:** 2653804

**Type of Submission:** Notice of Intent

**Type of Action:** Plug and Abandonment

**Date Sundry Submitted:** 01/24/2022

**Time Sundry Submitted:** 09:42

**Date proposed operation will begin:** 01/24/2022

**Procedure Description:** This NOI to P&A is being submitted for engineering & geological review per Dave M. of the BLM prior to onsite inspection. A Reclamation Plan will be submitted on a subsequent sundry at a later date. DJR Operating, LLC requests permission to Plug & Abandon the subject well according to the attached Procedure, Current & Proposed Wellbore Diagram.

## Surface Disturbance

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

## NOI Attachments

**Procedure Description**

AXI_Apache_C_1_BIA_Rationale_Form_20220124094228.pdf

AXI_Apache_C_1_Proposed_WBD_20220124094227.pdf

PXA_Procedure_AXI_Apache_C_1_20220124094228.pdf

AXI_Apache_C_1_Current_WBD_20220124094227.pdf

**Well Name:** AXI APACHE C

**Well Location:** T23N / R5W / SEC 4 / SWSW / 36.249194 / -107.372308

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

**Well Number:** 1

**Type of Well:** CONVENTIONAL GAS WELL

**Allottee or Tribe Name:** JICARILLA APACHE

**Lease Number:** JIC39

**Unit or CA Name:**

**Unit or CA Number:**

**US Well Number:** 3003905147

**Well Status:** Producing Gas Well

**Operator:** DJR OPERATING LLC

## Conditions of Approval

**Additional Reviews**

2653804_NOIA_C_1_3003905147_KR_02082022_20220208123524.pdf

General_Requirement_PxA_20220208123513.pdf

23N05W04MKpc_AXI_Apache_C_1_20220208091352.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:** JAN 24, 2022 09:42 AM

**Name:** DJR OPERATING LLC

**Title:** Regulatory Specialist

**Street Address:** 1 Road 3263

**City:** Aztec **State:** NM

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

**Email address:** sford@djrllc.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:** 02/08/2022

**Signature:** Kenneth Rennick

**Plug and Abandonment Procedure**

**for**

**DJR Operating, LLC**

**AXI Apache C 1**

**API # 30-039-05147**

**SW/SW, Unit M, Sec. 4, 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 2030'. TOOH.

8. PU and TIH with 9-5/8" CR (if unavailable, a CIBP can be used). Set the CR at 2030'. 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, Fruitland, Kirtland, Ojo Alamo: Sting back into CR. Establish rate. Mix and attempt to squeeze 15 sx cement through CR. If zone pressures up, sting back out of CR. Mix and pump sufficient cement to bring TOC cement on top of CR to 1520' inside 9-5/8" casing. Pump water to ensure tubing is clear.

11. Plug 2. Nacimiento, surface casing shoe, surface: With end of tubing at 481', mix and pump sufficient cement to bring cement to surface inside and outside 9-5/8" casing.

12. RD cementing equipment. Cut off wellhead, fill annulus 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.

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. /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.**

# Current Wellbore Diagram

## DJR Operating, LLC

### AXI Apache C 1

**API # 30-043-05147**
**SW/SW, Unit M, Sec 4, T23N, R5W**
**Rio Arriba County, NM**

| | |
|---|---|
| **GL** | **6636'** |
| **KB** | **6647'** |
| **Spud Date** | **4/14/1955** |

**SURF CSG**

| | |
|---|---|
| **Hole size** | 17.5" |
| **Csg Size:** | 13.375" |
| **Wt:** | 48# |
| **Grade:** | H-40 |
| **ID:** | 12.715" |
| **Depth** | 431' |
| **TOC:** | Circulated 35 sx cement to surface. |

**INT CSG**

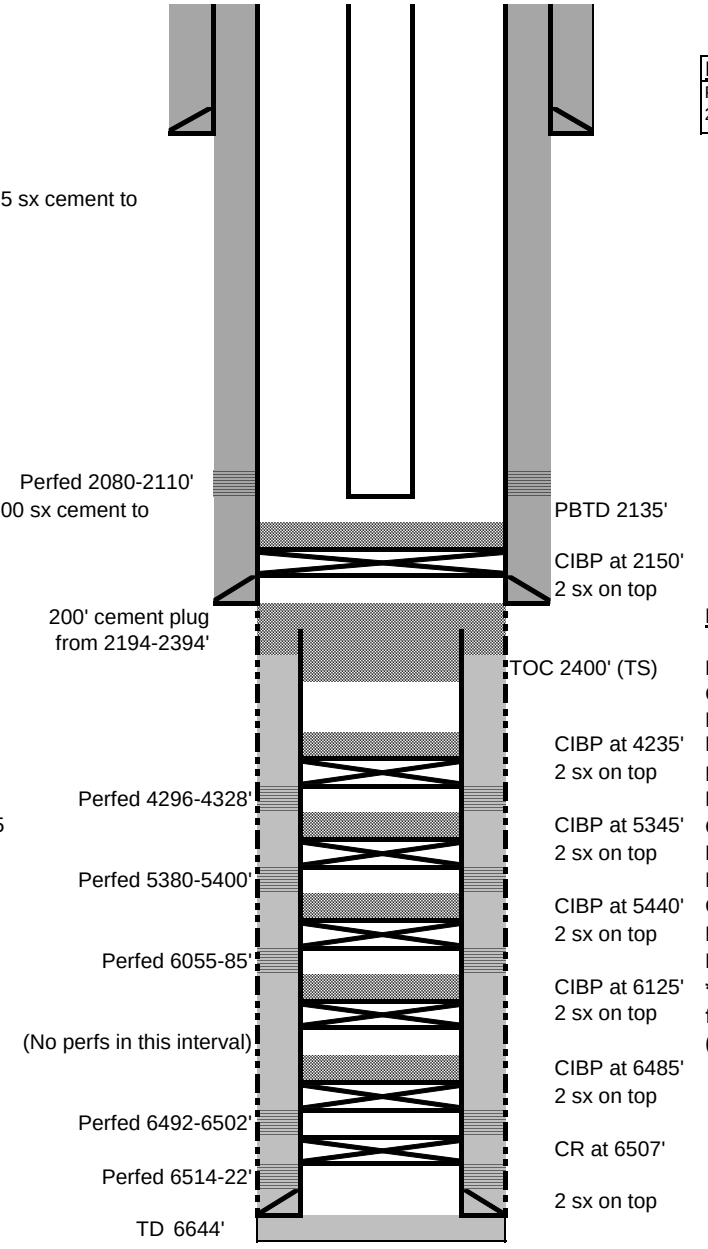
| | |
|---|---|
| **Hole size** | 12.25" |
| **Csg Size:** | 9.625" |
| **Wt:** | 36# |
| **Grade:** | J-55 |
| **ID:** | 8.921" |
| **Depth** | 2164' |
| **Csg/Csg Ann ft$^3$:** | 0.3765 |
| **Csg/OH cap ft$^3$:** | 0.3132 |
| **TOC:** | Circulated 100 sx cement to surface. |

**PROD CSG**

| | |
|---|---|
| **Hole size** | 8.75" |
| **Csg Size:** | 5.5" |
| **Wt:** | 15.5# |
| **Grade:** | J-55 |
| **ID:** | 4.950" |
| **Cut-off Depth*** | 2294' |
| **TOC:** | 2400' (TS) |

*5-1/2" casing cut off in July 1955

5-1/2" casing from 2294-6644' after cut-off 7/1955




**Prod Tubing Detail:**
Possibly 1-1/4" tubing, 66 joints landed at 2092'.

**FORMATION TOPS***

| | |
|---|---|
| **Nacimiento** | **301'** |
| **Ojo Alamo** | **1570'** |
| **Kirtland** | **1710'** |
| **Fruitland** | **1848'** |
| **Pictured Cliffs** | **2087'** |
| **Lewis** | **N/A** |
| **Chacra** | **N/A** |
| **Mesa Verde** | **3607'** |
| **Mancos** | **4496'** |
| **Gallup** | **5302'** |
| **Dakota** | **6493'** |
| **Morrison** | **6606'** |

***Tops, where available, from operator's report (7/25/1955)**

# Current Wellbore Diagram

## DJR Operating, LLC

### AXI Apache C 1

**API # 30-043-05147**
**SW/SW, Unit M, Sec 4, T23N, R5W**
**Rio Arriba County, NM**

| | |
|---|---|
| **GL** | **6636'** |
| **KB** | **6647'** |
| **Spud Date** | **4/14/1955** |

**SURF CSG**

| | |
|---|---|
| **Hole size** | 17.5" |
| **Csg Size:** | 13.375" |
| **Wt:** | 48# |
| **Grade:** | H-40 |
| **ID:** | 12.715" |
| **Depth** | 431' |
| **TOC:** | Circulated 35 sx cement to surface. |

**INT CSG**

| | |
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| **Hole size** | 12.25" |
| **Csg Size:** | 9.625" |
| **Wt:** | 36# |
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| **Csg/Csg Ann ft$^3$:** | 0.3765 |
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| **TOC:** | Circulated 100 sx cement to surface. |

**PROD CSG**

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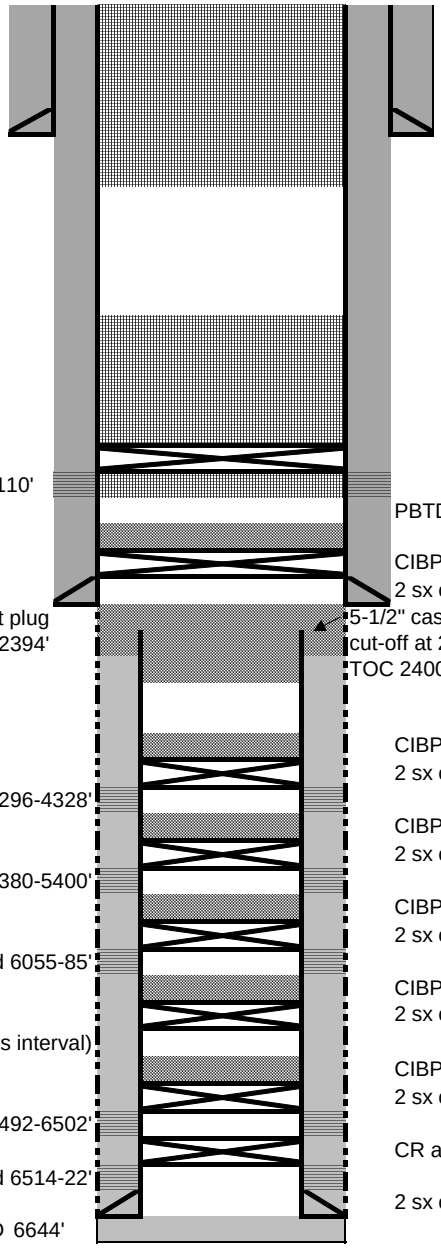
| **Hole size** | 8.75" |
| **Csg Size:** | 5.5" |
| **Wt:** | 15.5# |
| **Grade:** | J-55 |
| **ID:** | 4.950" |
| **Cut-off Depth*** | 2294' |
| **TOC:** | 2400' (TS) |

*5-1/2" casing cut off in July 1955

5-1/2" casing from 2294-6644' after cut-off 7/1955




**Plug 2: Nacimiento, surface casing shoe, surface: Mix and pump sufficient cement to bring cement from 481' to surface.**

**Plug 1: Pictured Cliffs, Fruitland, Kirtland, Ojo Alamo: Set CR at 2030'. Attempt to sqz 15 sx below CR. Spot sufficient cement on top of CR to bring TOC to 1520'.**

**FORMATION TOPS***

| | |
|---|---|
| **Nacimiento** | **301'** |
| **Ojo Alamo** | **1570'** |
| **Kirtland** | **1710'** |
| **Fruitland** | **1848'** |
| **Pictured Cliffs** | **2087'** |
| **Lewis** | **N/A** |
| **Chacra** | **N/A** |
| **Mesa Verde** | **3607'** |
| **Mancos** | **4496'** |
| **Gallup** | **5302'** |
| **Dakota** | **6493'** |
| **Morrison** | **6606'** |

***Tops, where available, from operator's report (7/25/1955)**

# 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.

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

AFMSS 2 Sundry ID 2653804

Attachment to notice of Intention to Abandon

Well: Axi Apache C 1

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 at (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 2/8/2022

# BLM FLUID MINERALS
# P&A Geologic Report

**Date Completed:** 02/08/2022

| | | | | | | |
|---|---|---|---|---|---|---|
| Well No. AXI Apache C #1 (API# 30-039-05147) | | Location | 814 FSL | & | 951 FWL | |
| Lease No. JIC39 | | Sec. 04 | T23N | | R05W | |
| Operator DJR Operating, LLC | | County | Rio Arriba | State | New Mexico | |
| Total Depth 6644’ | PBTD 2135’ | Formation | Pictured Cliffs (Producing), Morrison (TD) | | | |
| Elevation (GL) 6636’ | | Elevation (KB) | 6647’ | | | |

| Geologic Formations | Est. Top | Est. Bottom | Log Top | Log Bottom | Remarks |
|---|---|---|---|---|---|
| San Jose Fm | Surface | 250 | | | Surface/freshwater sands |
| Nacimiento Fm | 250 | 1570 | | | Possible freshwater sands |
| Ojo Alamo Ss | 1570 | 1710 | | | Aquifer (possible freshwater) |
| Kirtland Shale | 1710 | 1930 | | | |
| Fruitland Fm | 1930 | 2087 | | | Coal/Gas/Possible water |
| Pictured Cliffs Ss | 2087 | PBTD | | | Gas |
| Lewis Shale | | | | | |
| Chacra | | | | | Gas |
| 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

- BLM estimates for the Nacimiento and Fruitland formation tops vary from Operator’s submission.
- Well was originally drilled into the Morrison, was plugged back to the Pictured Cliffs at an unknown date.
- The plugs proposed in the P&A procedure will adequately protect any freshwater sands in this well bore.
- Pictured Cliffs perfs 2080’ – 2110’.

Reference Well:
1) **Formation Tops**
DJR Operating
AXI Apache C#11
990’ FSL, 990’ FEL
Sec. 04, T23N, R05W
GL 6634’, KB 6644’

**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

CONDITIONS

Action 79944

## CONDITIONS

| | |
|---|---|
| Operator:<br>DJR OPERATING, LLC<br>1 Road 3263<br>Aztec, NM 87410 | OGRID:<br>371838 |
| | Action Number:<br>79944 |
| | 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 | 2/14/2022 |
| kpickford | Adhere to BLM approved plugs and COAs. See GEO Report | 2/14/2022 |