

Well Name: E W MUDGE	Well Location: T25N / R11W / SEC 16 / NWSE / 36.39909 / -108.00577	County or Parish/State: SAN JUAN / NM
Well Number: 8	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM036253	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004526217	Well Status: Oil Well Shut In	Operator: DJR OPERATING LLC

Notice of Intent

Sundry ID: 2658320

Type of Submission: Notice of Intent	Type of Action: Plug and Abandonment
Date Sundry Submitted: 02/22/2022	Time Sundry Submitted: 11:52
Date proposed operation will begin: 02/22/2022	

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

- EW_Mudge_8_Current_WBD_20220222115213.pdf
- EW_Mudge_8_Reclamation_Plan_20220222115213.pdf
- EW_Mudge_8_Proposed_WBD_20220222115213.pdf
- EW_Mudge_8_PA_Procedure_20220222115213.pdf

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Conditions of Approval

Specialist Review

25N11W16_E_W_Mudge_8_KGR_20220308153520.pdf
2658320_NOIA_8_3004526217_KR_03082022_20220308153508.pdf
General_Requirement_PxA_20220308153459.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: FEB 22, 2022 11:52 AM
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: 03/08/2022
Signature: Kenneth Rennick	

**Plug and Abandonment Procedure
for
DJR Operating, LLC
EW Mudge 8
API # 30-045-26217
NW/SE, Unit J, Sec. 16, T25N, R11W
San Juan County, NM**

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.
11. MIRU P&A rig and equipment. PU workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 1230'. TOOH.
12. PU and TIH with 5-1/2" CR. Set the CR at 1230'. Pressure test tubing to 1000 psi, sting out of CR, test casing to 600 psi. If casing does not test, contact engineering.
13. Plug 1: Pictured Cliffs and Fruitland: Sting back into CR. Mix and pump sufficient volume to bring top of cement to 1145' inside and outside casing. Pump water to ensure tubing is clear.

14. Plug 2: Kirtland: Perf holes at 826'. Set CR at 776'. Establish rate. Mix and pump sufficient volume to bring top of cement to 726' inside and outside casing. Pump water to ensure tubing is clear.
15. Plug 3: Ojo Alamo and surface plugs: Perf holes at 520'. Tie onto casing and establish rate. Mix and pump sufficient volume to bring top of cement to surface, inside and outside casing. Top off 8-5/8x5-1/2" annulus through 1" tubing, if necessary.
16. 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.
17. RD and MO all rig and cement equipment. Ensure that location is free of trash and contamination before moving off.
18. 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
EW Mudge 8
 API # 30-045-26217
 NW/SE, Unit J, Sec 16, T25N, R11W
 San Juan County, NM

GL 6395'
 KB 6408'
 Spud Date 3/5/1985

SURF CSG

Hole size 12.25"
 Csg Size: 8.625"
 Wt: 24#
 Grade: J-55
 ID: 8.097"
 Depth 470'
 Csq cap ft³: 0.3576
 TOC: Surface

FORMATION TOPS

Nacimiento	Surface
Ojo Alamo	N/A
Kirtland	776'
Fruitland	1195'
Pictured Cliffs	1248'
Chacra	1628'
Mesa Verde	2020'
Mancos	3907'
Gallup	4819'
TOC 950' (CBL)	
(7/24/2019)	

PROD CSG

Hole size 7.875"
 Csg Size: 5.5"
 Wt: 15.5#
 Grade: K-55
 ID: 4.95"
 Depth 5141'
 Csq cap ft³: 0.1336
 Csg/Csg Ann
 ft³: 0.1926
 Csg/OH cap
 ft³: 0.1732
 TOC: 950' (CBL)

New Perfs 1355-1252'

Old Perfs 4828-4988'

PBTD 5063'
 TD 5146'

Prod Tubing Detail:

NC, Perfed MA, SN, 41 jts. 2-3/8" tbg., EOT at 1376", SN at 1343'

Rod Detail

None

950' (CBL)
 7/24/2019

Plugback Plug 3:
 2087-1553'

Plugback Plug 2:
 3970-3242'

This well was plugged back to the
 Pictured Cliffs in 2019.

Plugback Plug 1:
 4790-4650'

Proposed Wellbore Diagram
DJR Operating, LLC
EW Mudge 8

API # 30-045-26217
 NW/SE, Unit J, Sec 16, T25N, R11W
 San Juan County, NM

GL 6395'
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TOC 950' (CBL)
 (7/24/2019)

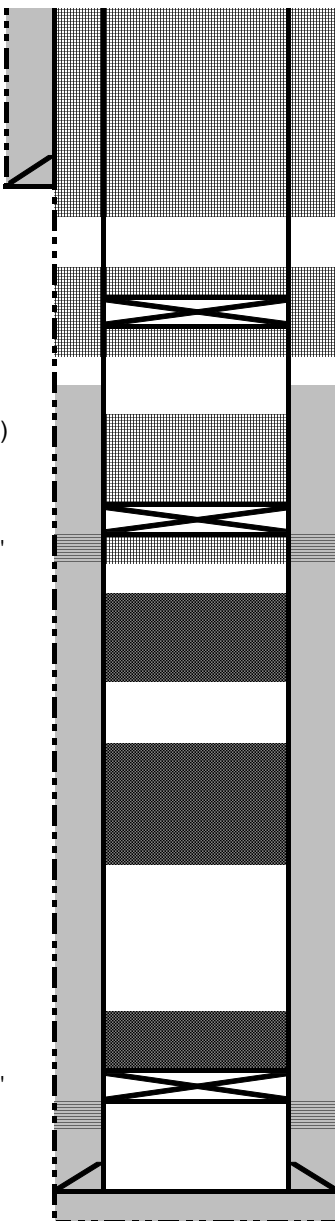
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New Perfs 1355-1252'

Perfs 4828-4988'

PBTD 5063'
 TD 5146'



Plug 3: Ojo Alamo and surface plugs:
 Perf holes at 520'. Tie onto casing and mix and pump sufficient volume to bring TOC to surface, inside and outside.

Plug 2: Kirtland: Perf holes at 826'.
 Set CR at 776'. Mix and pump sufficient volume to bring TOC to 726' inside and outside.

Plug 1: Pictured Cliffs and Fruitland:
 Set CR at 1230'. Squeeze 10 sx below CR. Mix and pump sufficient volume to bring TOC to 1145' inside casing.
 CR at 1230'

Plugback Plug 3:
 2087-1553'

Plugback Plug 2:
 3970-3242'

This well was plugged back to the Pictured Cliffs in 2019.

Plugback Plug 1:
 4790-4650'

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

AFMSS 2 Sundry ID 2658320

Attachment to notice of Intention to Abandon

Well: EW Mudge 8

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.
3. The following modifications to your plugging program are to be made:
 - a. Plug 1: Bring the top to cover the BLM pick for the Fruitland formation top at 1108'.

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 3/8/2022

**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 H₂S.

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: 03/08/2022

Well No. E W Mudge 8 (API# 30-045-26217)		Location	1980	FSL	&	1980	FEL
Lease No. NMNM036253		Sec. 16	T25N			R11W	
Operator DJR Operating, LLC		County	San Juan		State	New Mexico	
Total Depth 5146'	PBTD 5063'	Formation Fruitland/ Pictured Cliffs (Perforations, No Production)					
Elevation (GL) 6395'		Elevation (KB) 6408'					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/freshwater sands
Nacimiento Fm					Possible freshwater sands
Ojo Alamo Ss					Aquifer (possible freshwater)
Kirtland Shale			776		
Fruitland Fm			1108		Coal/Gas/Possible water
Pictured Cliffs Ss			1248		Gas
Lewis Shale					
Chacara			1628		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

Reference Well:

- BLM pick for the Fruitland formation top vary from Operator's.
- Fruitland/ Pictured Cliffs perfs 4828' – 4988'. No production recorded.
- Plug 1: Bring the top to cover the BLM pick for the Fruitland formation top at 1108'.

Prepared by: Kenneth Rennick

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 88500

CONDITIONS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 88500
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	CBL required	3/10/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	3/10/2022
kpickford	Adhere to BLM approved plugs and COAs. See GEO Report	3/10/2022