

Well Name: CHACON AMIGOS	Well Location: T22N / R3W / SEC 12 / NESW /	County or Parish/State: SANDOVAL / NM
Well Number: 4	Type of Well: OIL WELL	Allottee or Tribe Name: JICARILLA APACHE
Lease Number: JIC360	Unit or CA Name:	Unit or CA Number:
US Well Number: 300432053800S1	Well Status: Oil Well Shut In	Operator: DJR OPERATING LLC

Notice of Intent

Type of Submission: Notice of Intent	Type of Action Plug and Abandonment
Date Sundry Submitted: 01/25/2021	Time Sundry Submitted: 12:29
Date proposed operation will begin: 01/25/2021	
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
- Chacon_Amigos_4_Reclamation_Plan_20210125122830.pdf
 - Chacon_Amigos_4_Proposed_WBD_20210125122823.pdf
 - Chacon_Amigos_4_Current_WBD_20210125122816.pdf
 - Chacon_Amigos_4_PA_Procedure_20210125122808.pdf

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Conditions of Approval

Specialist Review

General_Requirement_P_A_20210324112233.pdf

Additional Reviews

ChaconAmigos_4GeoRpt_20210506111649.pdf

Authorized Officer

PA_COA_notifications_20210510154735.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 25, 2021 12:28 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: CHRISTOPHER P WENMAN

BLM POC Phone: 5055647600

Disposition: Approved

Signature: Chris Wenman

BLM POC Title: Natural Resource Specialist

BLM POC Email Address: cwenman@blm.gov

Disposition Date: 05/10/2021

Plug and Abandonment Procedure
for
DJR Operating, LLC
Chacon Amigos 4
API # 30-043-20538
NE/SW, Unit K, Sec. 12, T22N, R3W
Sandoval 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 tubing of paraffin.
6. Unset TAC.
7. ND WH, NU BOP, function test BOP.
8. Trip out of hole with 2 3/8" tubing. LD tubing to be sent in for storage/salvage.
9. RDMO prep rig to next location.

II.

10. MIRU P&A rig and equipment.
11. PU workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 6710'. TOOH.
12. PU and RIH with a 4 1/2" cement retainer. Set the CR at +/- 6710'. Pressure test tubing to 1000 psi, sting out of CR, test casing to 600 psi. If casing does not test, contact engineering.
13. RU Wireline unit. RIH with CBL and run from 6710' to surface. Determine TOC and adjust cement plugs as required.

14. Plug 1. RU cement equipment. Sting back into CR and attempt to mix and pump 15 sx Class G cement through the CR into the Dakota perforations. If zone pressures up, sting out of CR and continue with Plug 2.
15. Plug 2. Dakota: Mix and spot a 50' plug of Class G cement on top of retainer from 6710'-6660'. Pump water to ensure tubing is clear.
16. Plug 3. Gallup: Pump a 100' balanced plug of Class G cement from 5697-5597'. Pump water to ensure tubing is clear. TOOH.
17. Plug 4. Mancos: RIH with wireline and perforate 4 holes at 4882'. POOH. TIH with CR and set at 4832'. Mix and pump a 100' plug of Class G cement from 4882-4782', inside and outside, spotting 50' on top of CR. Pump water to ensure tubing is clear. TOOH.
18. Plug 5. Mesa Verde: RIH with wireline and perforate 4 holes at 4055'. POOH. TIH with CR and set at 4055'. Mix and pump a 100' plug of Class G cement from 4105-4005', inside and outside, spotting 50' on top of CR. Pump water to ensure tubing is clear.
19. Plug 6. Chacra: RIH with wireline and perforate 4 holes at 3324'. POOH. TIH with CR and set at 3274'. Mix and pump a 100' plug of Class G cement from 3324-3224', inside and outside, spotting 50' on top of CR. Pump water to ensure tubing is clear.
20. Plug 7: Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo: Spot 412' balanced plug from 2600-2188' with Class G cement. If CBL indicates, this stage may require perforating the 4-1/2" casing, and squeezing below a CR. Pump water to ensure that tubing is clear.
21. Plug 8: Nacimiento: Top and perf depth to be determined by regulatory agencies. RIH with wireline and perforate 4 holes at a depth to be determined. POOH. TIH with CR and set at a depth to be determined. Mix and pump a 100' plug of Class G cement inside and outside across Nacimiento top, spotting 50' on top of CR. Pump water to ensure tubing is clear. (If CBL indicates cement behind pipe, this may be a balanced plug).
22. Plug 9: Surface casing shoe: Perforate 4 holes at 320'. Tie onto 4-1/2" casing and mix and pump sufficient volume to bring Class G cement to surface inside and outside 4-1/2" casing.
23. RD cementing equipment. Cut off wellhead, fill any exposed 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.

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

25. 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.

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

Current Wellbore Diagram
DJR Operating, LLC
Chacon Amigos 4
 API # 30-043-20538
 NE/SW, Unit K, Sec 12, T22N, R3W
 Sandoval County, NM

GL 7169'
 KB 7183'
 Spud Date 4/27/1981

SURF CSG

Hole size 12.25"
 Csg Size: 8.625"
 Wt: 24#
 Grade: J-55
 ID: 8.097"
 Depth 270'
 Csg cap ft³: 0.3576
 TOC: Surf

FORMATION TOPS

Nacimiento	Surface
Ojo Alamo	2238'
Kirtland	2330'
Fruitland	2440'
Pictured Cliffs	2550'
Lewis	2680'
Chacra	3274'
Mesa Verde	4055'
Mancos	4832'
Gallup	5647'
Dakota	6748'

Prod Tubing Detail:

Sawtooth collar, SN, 232 jts. 2-3/8" (est.)
 tubing at 6769'.

Rod Detail

Plunger lift installation

PROD CSG

Hole size 7.875"
 Csg Size: 4.5"
 Wt: 10.5/11.6#
 Grade: K-55
 ID: 4.052"
 Depth 7003'
 Csg cap ft³: 0.0895
 Csq/Csq Ann ft³: 0.2471
 Csg/OH cap ft³: 0.2278
 TOC: Stg 1 (Calc) 5305'
 TOC: Stg 2 (Calc) 1958'

Perfs 6748-6802' <<< >>>

PBTD 6978'
 TD 7005'

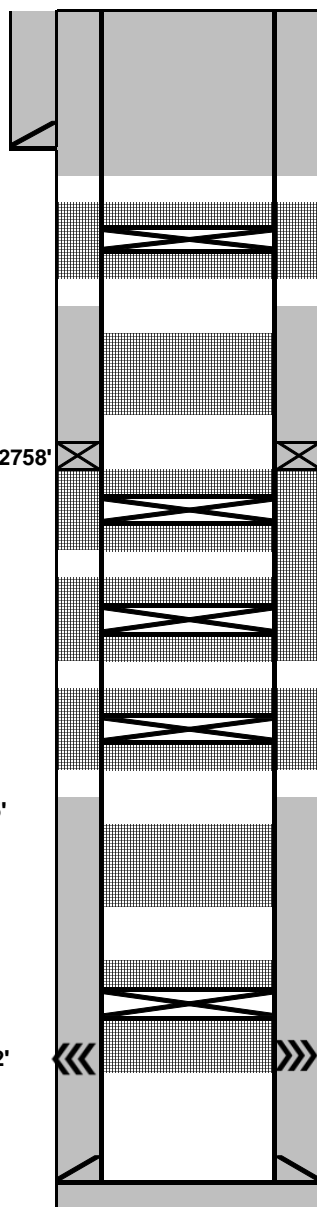
TOC 1958' (Calc)

DV Tool at 2758'

TOC 5305' (Calc)

Spud Date 4/27/1981

Plug 1: Mix and attempt to place 15 sx Class G cement through CR into Dakota perms.



**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)

**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:

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.

BLM FLUID MINERALS Geologic Report

Date Completed: 3/19/21

Well No.	Chacon Amigos # 4	Location	1850'	FSL &	1650'	FWL
Lease No.	Jic 360	Sec. 12	T22N			R3W
Operator	DJR Operating LLC	County	Sandoval	State		New Mexico
Total Depth	7005'	PBTD 6978'	Formation	Lindrith Gallup Dakota West		
Elevation (GL) 7169'			Elevation (KB) 7176'			

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm			Surface	1100'	Surface/Fresh water sands
Nacimiento Fm			1100'	2238'	Fresh water sands
Ojo Alamo Ss			2238'	2330'	Aquifer (fresh water)
Kirtland Shale			2330'	2440'	
Fruitland Fm			2440'	2550'	Coal/Gas/Possible water
Pictured Cliffs Ss			2550'	2680'	Gas
Lewis Shale			2680'	3274'	
Chacra			3274'	3274'	Probable water or dry
Cliff House Ss (main)			4055'	4140'	Water/Possible gas
Menefee Fm			4140'	4620'	Coal/Ss/Water/Possible O&G
Point Lookout Ss			4620'	4832'	Probable water/Possible O&G
Mancos Shale			4832'		Source rock
Gallup			5669'		O&G/Water
Dakota			6748'		O&G/Water

Remarks:

P & A

Reference Well:

1) DJR Same

- Please ensure that the tops of the Pictured Cliffs and Fruitland formations as well as the entire Ojo Alamo aquifer, identified in this report, are isolated by proper placement of cement plugs. This will protect the freshwater sands in this well bore.

-The bottom 475' of the San Jose Formation, 625'-1100', shows abundant sign of water and should be protected. Plug 8, the Nacimiento plug, should be an inside/outside plug run from 625' to 1150'

Prepared by: Walter Gage

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 30078

COMMENTS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 30078
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

COMMENTS

Created By	Comment	Comment Date
kpickford	KP GEO Review 6/2/2021	6/2/2021

District I
1625 N. French Dr., Hobbs, NM 88240
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CONDITIONS

Created By	Condition	Condition Date
kpickford	None	6/2/2021