<i>Received by IOCD: 0/11/2021 1:54:22 PM</i> U.S. Department of the Interior BUREAU OF LAND MANAGEMENT		Sundry Print Report 06/04/2021		
Well Name: CHACON AMIGOS	Well Location: T22N / R3W / SEC 11 / NENW /	County or Parish/State: SANDOVAL / NM		
Well Number: 6	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: 300432051300S1	Well Status: Oil Well Shut In	Operator: DJR OPERATING LLC		

Notice of Intent

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Type of Submission: Notice of Intent

Date Sundry Submitted: 01/25/2021

Date proposed operation will begin: 01/25/2021

Type of Action Plug and Abandonment Time Sundry Submitted: 12:31

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_6_Reclamation_Plan_20210125123134.pdf

Chacon_Amigos_6_Proposed_WBD_20210125123126.pdf

Chacon_Amigos_6_Current_WBD_20210125123118.pdf

Chacon_Amigos_6_PA_Procedure_20210125123111.pdf

K	eceived by OCD: 6/11/2021 1:54:22 PM Well Name: CHACON AMIGOS	Well Location: T22N / R3W / SEC 11 / NENW /	County or Parish/State: Page 2 of 12 SANDOVAL / NM
	Well Number: 6	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: 300432051300S1	Well Status: Oil Well Shut In	Operator: DJR OPERATING LLC

Conditions of Approval

Specialist Review

General_Requirement_P_A_20210324112917.pdf

Additional Reviews

Chacon_Amigos__20210325083844

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

Name: DJR OPERATING LLC

Title: Regulatory Specialist

Street Address: 1 Road 3263

City: Aztec

Phone: (505) 632-3476

Email address: sford@djrllc.com

Field Representative

Representative Name: Street Address:

City:

State:

State: NM

Phone:

Email address:

Zip:

BLM Point of Contact

BLM POC Name: DAVE J MANKIEWICZ BLM POC Phone: 5055647761

Disposition: Approved

Signature: Dave Mankiewicz

BLM POC Title: AFM-Minerals

BLM POC Email Address: DMANKIEW@BLM.GOV

Signed on: JAN 25, 2021 12:31 PM

Disposition Date: 06/04/2021

Plug and Abandonment Procedure

for

DJR Operating, LLC Chacon Amigos 6 API # 30-043-20513 NE/NW, Unit C, Sec. 11, 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. TOOH with rods. LD rods 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. PU workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 6700'. TOOH.

- 13. PU and RIH with a 4 ¹/₂" cement retainer. Set the CR at +/- 6700'. Pressure test tubing to 1000 psi, sting out of CR, test casing to 600 psi. If casing does not test, contact engineering.
- 14. RU Wireline unit. RIH with CBL and run from 6700' to surface. Determine TOC and adjust cement plugs as required.
- 15. Plug 1. RU cement equipment. Sting back into CR and attempt to mix and pump 20 sx Class G cement through the CR into the Dakota perforations. If zone pressures up, sting out of CR and continue with Plug 2.
- 16. Plug 2. Dakota: Mix and spot a 50' plug of Class G cement on top of retainer from 6700'-6650'. Pump water to ensure tubing is clear.
- 17. Plug 3. Gallup: Pump a 100' balanced plug of Class G cement from 5550-5450'. Pump water to ensure tubing is clear. TOOH.
- 18. Plug 4. Mancos: RIH with wireline and perforate 4 holes at 4811'. POOH. TIH with CR and set at 4761'. Mix and pump a 100' plug of Class G cement from 4811-4711', inside and outside, spotting 50' on top of CR. Pump water to ensure tubing is clear. TOOH.
- 19. Plug 5. Mesa Verde: RIH with wireline and perforate 4 holes at 4062'. POOH. TIH with CR and set at 4012'. Mix and pump a 100' plug of Class G cement from 4062-3962', inside and outside, spotting 50' on top of CR. Pump water to ensure tubing is clear.
- 20. Plug 6. Chacra: RIH with wireline and perforate 4 holes at 3333'. POOH. TIH with CR and set at 3283'. Mix and pump a 100' plug of Class G cement from 3333-3233', inside and outside, spotting 50' on top of CR. Pump water to ensure tubing is clear.
- 21. Plug 7: Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo: Spot 465' balanced plug from 2568-2103' 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.
- 22. 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).
- 23. Plug 9: Surface casing shoe: Perforate 4 holes at 325'. 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.

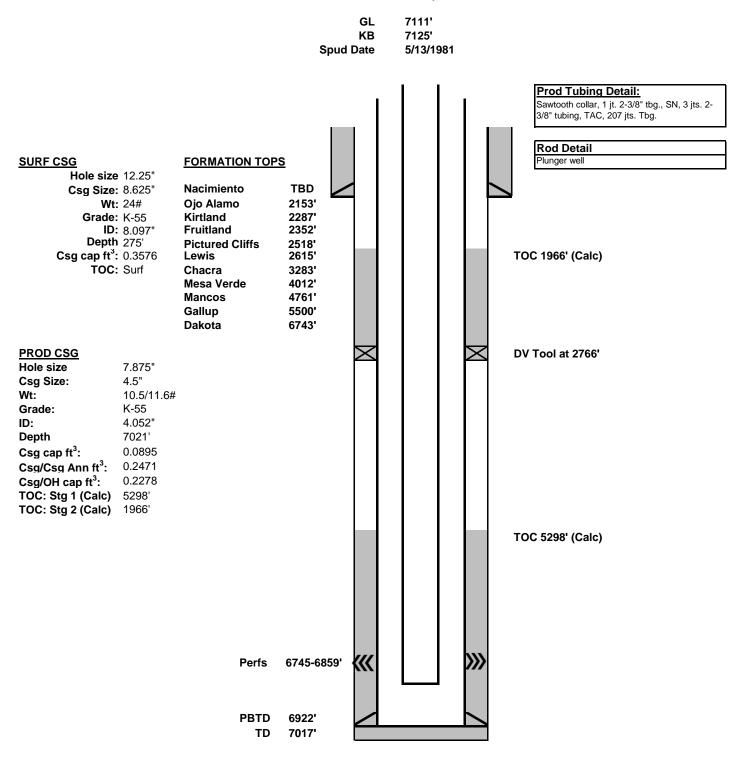
- 24. RD cementing equipment. Cut off wellhead, fill any exposed annulus with cement as necessary. **Install SURFACE P&A marker as per BIA requirements.** Record GPS coordinates for P&A marker and the Final P&A Report. Photograph the P&A marker and attach to the report.
- 25. RD and MO all rig and cement equipment. Assure that location is free of trash and contamination before moving off.
- 26. 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 6 API # 30-043-20513

NE/NW, Unit C, Sec 11, T22N, R3W Sandoval County, NM



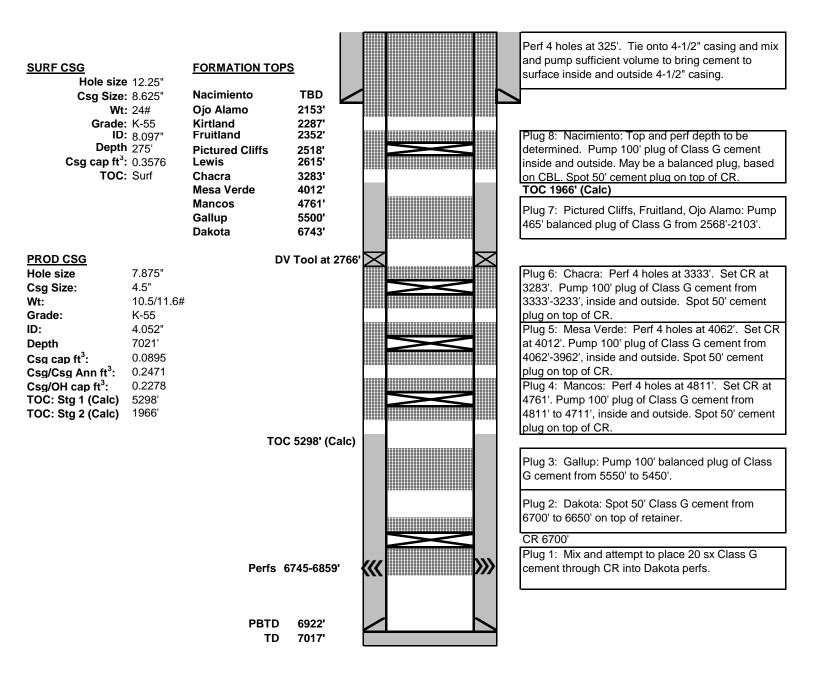
Proposed P&A Wellbore Diagram DJR Operating, LLC

Chacon Amigos 6

API # 30-043-20513 NE/NW, Unit C, Sec 11, T22N, R3W Sandoval County, NM

GL	7111'
KB	7125'
Spud Date	5/13/1981

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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 <u>minimum general</u> 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.

Page 1

2

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 <u>date</u> 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.

Date Completed: 3/23/21

Well No.	Chacon Amigos # 6		Location	800′	FNL	&	1850′	FWL
Lease No.	Jic 360		Sec. 11	T22N				R3W
Operator	DJR Operating LLC		County	Sandoval		State	New M	lexico
Total Depth	7017' PBTD 6922'		Formation	Lindrith Gallup Dakota West				
Elevation (GL) 7111'		Elevation (K)	Elevation (KB) 7125'					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm			Surface	1190′	Surface/Fresh water sands
Nacimiento Fm			1190′	2155'	Fresh water sands
Ojo Alamo Ss			2155'	2285'	Aquifer (fresh water)
Kirtland Shale			2285'	2430'	
Fruitland Fm			2430'	2515'	Coal/Gas/Possible water
Pictured Cliffs Ss			2515'	2630'	Gas
Lewis Shale			2630'	3285'	
Huerfanito Bentonite			2852	2852'	Marker bed
Chacra (lower)			3285'	4010'	Probable water or dry
Cliff House Ss (main)			4010'	4100'	Water/Possible gas
Menefee Fm			4100′	4595'	Coal/Ss/Water/Possible O&G
Point Lookout Ss			4595'	4830'	Probable water/Possible O&G
Mancos Shale			4830'	5450'	Source rock
El Vado Ss			5450'	5490'	Possible O&G
Tocito Ss Lentils			5490'	5640'	Possible O&G
Gallup			5640'	6210'	Possible O&G
Mancos stringer			6210'	6345'	Source rock
Juana Lopez			6345'	6480'	Marker bed
Mancos stringer			6480′	6655'	Source rock
Bridge Creek ls			6655'	6700′	Marker bed
Graneros			6700′	6748′	Source rock
Dakota			6748′		O&G/Water

Remarks:

P & A

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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.

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				
Operator: DJR OPERATING, LLC	OGRID: 371838			
	Action Number: 31626			
	Action Type: [C-103] NOI Plug & Abandon (C-103F)			

COMMENTS

Created By	Comment	Comment Date
kpickford	KP GEO Review 6/15/2021	6/15/2021

COMMENTS

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Action 31626

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

Operator:	OGRID:
DJR OPERATING, LLC	371838
1 Road 3263	Action Number:
Aztec, NM 87410	31626
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	6/15/2021
kpickford	In addition to BLM approved plugs, Extend plug #2 6700' to 6605,' to cover Dakota top 6655'.	6/15/2021
kpickford	Ensure coverage from 5690' to 5590' to cover the Gallup top at 5640'.	6/15/2021
kpickford	Ensure coverage from 4880' to 4730' to cover the Mancos top at 4830'.	6/15/2021
kpickford	Ensure coverage from 3335' to 3235' to cover the Chacra top at 3285'.	6/15/2021
kpickford	Ensure coverage from 1240' to 1140' to cover the Nacimiento top at 1190'.	6/15/2021
kpickford	CBL Required.	6/15/2021

Action 31626