J.S. Department of the Interior BUREAU OF LAND MANAGEMENT		Sundry Print Repo
Well Name: JICARILLA APACHE B	Well Location: T24N / R5W / SEC 29 / NENE /	County or Parish/State: RIO ARRIBA / NM
Well Number: 18	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name: JICARILLA APACHE
Lease Number: JIC11	Unit or CA Name:	Unit or CA Number:
US Well Number: 3003926884	Well Status: Gas Well Shut In	Operator: DJR OPERATING LLC

Notice of Intent

Sundry ID: 2632606

MCC

Type of Submission: Notice of Intent

Date Sundry Submitted: 09/03/2021

Date proposed operation will begin: 09/03/2021

Type of Action: Plug and Abandonment Time Sundry Submitted: 10:38

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

Jicarilla_Apache_B_18___PxA_Procedure_20210903103844.pdf Jicarilla_Apache_B_18___Proposed_WBD_20210903103836.pdf Jicarilla_Apache_B_18___Current_WBD_20210903103831.pdf Jicarilla_Apache_B18__Reclamation_Plan_20210903103826.pdf

Received by OCD: 1/5/2022 10:01:43 AM Well Name: JICARILLA APACHE B	Well Location: T24N / R5W / SEC 29 / NENE /	County or Parish/State: RIO
Well Number: 18	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name: JICARILLA APACHE
Lease Number: JIC11	Unit or CA Name:	Unit or CA Number:
US Well Number: 3003926884	Well Status: Gas Well Shut In	Operator: DJR OPERATING LLC

Conditions of Approval

Additional Reviews

2632606_NOIA_18_3003926884_KR_01042022_20220104174950.pdf

General_Requirement_PxA_20220104174922.pdf

24N05W29AKd_Jicarilla_Apache_B_18_20220104151548.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: DACYE SHULL Name: DJR OPERATING LLC Title: Regulatory Technician City: AZTEC State: NM Phone: (505) 632-3476 Email address: DSHULL@DJRLLC.COM **Field Representative Representative Name:**

State:

Street Address: City: Phone: Email address:

Zip:

Signed on: SEP 03, 2021 10:38 AM

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK BLM POC Phone: 5055647742 **Disposition:** Approved Signature: Kenneth Rennick

BLM POC Title: Petroleum Engineer

BLM POC Email Address: krennick@blm.gov

Disposition Date: 01/04/2022

Street Address: 1 ROAD 3263

Plug and Abandonment Procedure

for

DJR Operating, LLC Jicarilla Apache B 18 API # 30-039-26884 NE/NE, Unit A, Sec. 29, T24N, R5W Rio Arriba 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. Trip and recover plunger.
- 5. 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.
- 6. MIRU hot oil unit, pump hot water to clear tubing of paraffin.
- 7. Unset TAC.
- 8. ND WH, NU BOP, function test BOP.
- 9. Set tubing stop as necessary. 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 6690'. TOOH.
- 13. Plug 1. Dakota Perfs and top: RU cement equipment. TIH and mix and pump a balanced plug of Class G cement from 6746-6538'. Pump water to ensure tubing is clear. PUH and WOC.

- 14. Tag TOC. Drop standing valve and pressure test tubing to 1000 psi. Test casing to 600 psi. If casing does not test, contact engineering.
- 15. Plug 2. Gallup top: Mix and pump a balanced plug of Class G cement from 5611-5511'. Pump water to ensure tubing is clear.
- 16. Plug 3: DV tool and Mancos top: Mix and pump a balanced plug of Class G cement from 4880-4622'. Pump water to ensure tubing is clear.
- 17. Plug 4. Mesa Verde: Mix and pump a balanced plug of Class G cement from 3851-3751'. Pump water to ensure tubing is clear.
- 18. Plug 5: Chacra: Mix and pump a balanced plug of Class G cement from 2790-2690'. Pump water to ensure tubing is clear.
- 19. Plug 6. Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo: Mix and pump a balanced plug from 2352-1711' with Class G cement. Pump water to ensure tubing is clear.
- 20. Plug 7: Nacimiento: Mix and pump a balanced plug from 1147-1047' with Class G cement. Pump water to ensure that tubing is clear.
- 21. Plug 8: Surface casing shoe and surface: Mix and pump a balanced plug of Class G cement from 405' to surface across surface casing shoe to surface. Pump water to ensure that tubing is clear. TOOH with workstring.
- 22. 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.
- 23. RD and MO all rig and cement equipment. Assure that location is free of trash and contamination before moving off.
- 24. Send all reports and attachments to DJR Aztec office for regulatory filings.

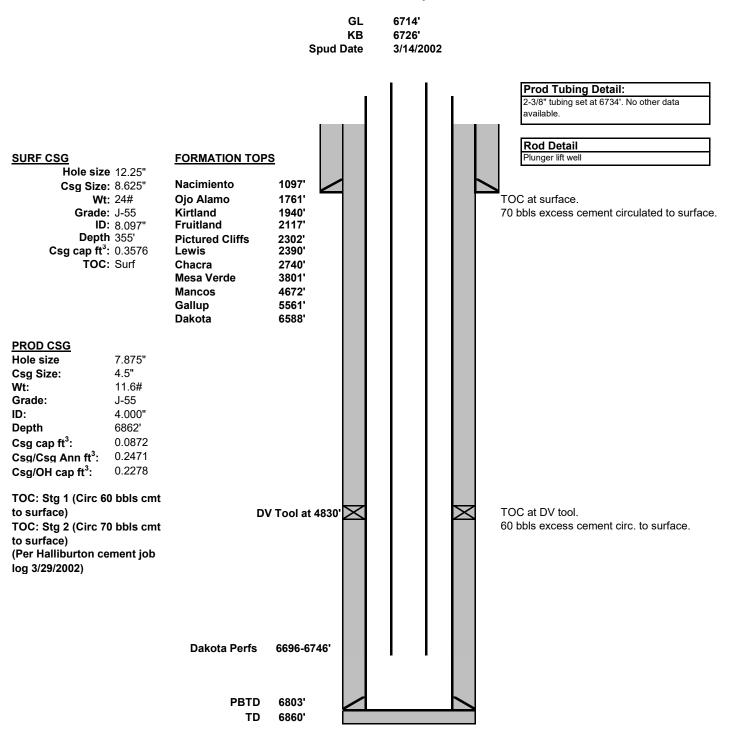
Note: All cement is to be Class G mixed at 15.8 ppg, yield 1.15 cu ft / sx. Cement volumes are based on inside capacities + 50' excess and outside capacities + 100% excess.

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

Current Wellbore Diagram

DJR Operating, LLC Jicarilla Apache B 18

API # 30-039-26884 NE/NE, Unit A, Sec 29, T24N, R5W Rio Arriba County, NM

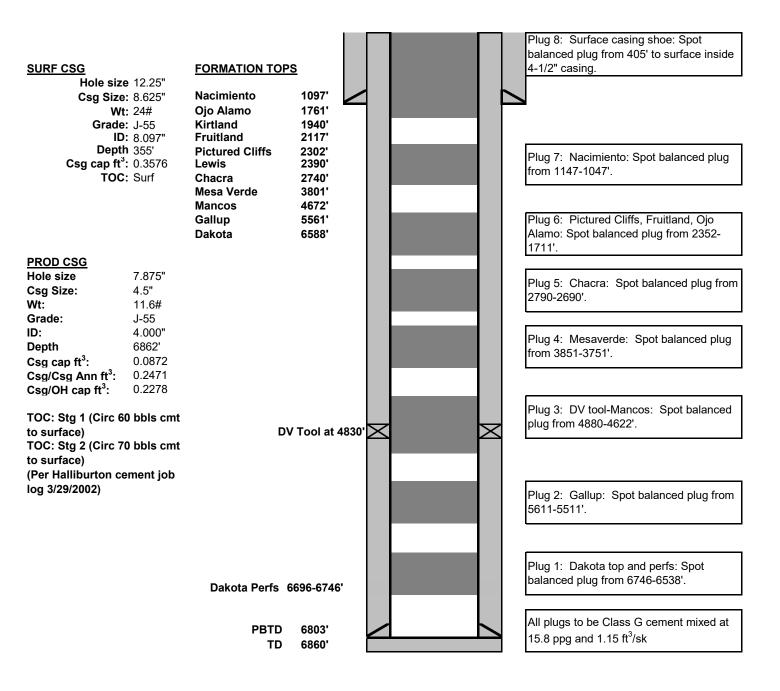


Proposed P&A Wellbore Diagram DJR Operating, LLC

Jicarilla Apache B 18

API # 30-039-26884 NE/NE, Unit A, Sec 29, T24N, R5W Rio Arriba County, NM

GL	6714'
KB	6726'
Spud Date	3/14/2002



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.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FARMINGTON DISTRICT OFFICE

6251 COLLEGE BLVD. FARMINGTON, NEW MEXICO 87402

AFMSS 2 Sundry ID 2632606

Attachment to notice of Intention to Abandon

Well: Jicarilla Apache B 18

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 5 (Chacra) Adjust or add a plug to cover BLM formation top pick at 3107 feet.

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 1/4/2022

BLM FLUID MINERALS P&A Geologic Report

Date Completed: 01/04/2022

Well No. Jicarilla Apache B #18 (API# 30-039-26884)		Location	894	FNL	&	963	FEL
Lease No. JIC11		Sec. 29	T24N			R05W	
Operator DJR Operating, LLC		County	Rio Arriba		State	New Mexico	
Total Depth 6860'	PBTD 6803'	Formation Dakota					
Elevation (GL) 6714'		Elevation (KE	3) 6726'				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm	Surface	1097			Surface/freshwater sands
Nacimiento Fm	1097	1761			Possible freshwater sands
Ojo Alamo Ss	1761	1940			Aquifer (possible freshwater)
Kirtland Shale	1940	2117			
Fruitland Fm	2117	2302			Coal/Gas/Possible water
Pictured Cliffs Ss	2302	2390			Gas
Lewis Shale	2390	3107			
Chacra	3107	3801			Gas
Cliff House Ss	3801	3868			Water/Possible gas
Menefee Fm	3868	4461			Coal/Ss/Water/Possible O&G
Point Lookout Ss	4461	4672			Probable water/Possible O&G
Mancos Shale	4672	5561			
Gallup	5561	6458			O&G/Water
Greenhorn	6458	6533			
Graneros Shale	6533	6588			
Dakota Ss	6588	PBTD			O&G/Water

Remarks:

P & A

- Formation tops were estimated using well file data, operator submitted data, and Reference Well #1 as the logs for the subject well were inadequate to make picks.
- BLM estimate for the Chacra formation top varies from Operator pick.

- CBL on file.

- Adjust Plug #5 (Chacra), or add a plug, to cover BLM formation top estimate at 3107'.
- The plugs proposed in the P&A procedure, with changes recommended above, will adequately protect any freshwater sands in this well bore.

- Dakota perfs 6696' – 6746'.

Reference Well:

1) **Formation Tops** DJR Operating, LLC Jicarilla Apache B #13 1000' FNL, 1000' FEL Sec. 29, T24N, R05W GL 6707'

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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	70617
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

CONDITION		
Created By	Condition	Condition Date
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	1/7/2022
kpickford	Adhere to BLM COAs and plugs. See GEO report	1/7/2022

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CONDITIONS

Action 70617