

Well Name: BONANZA	Well Location: T22N / R3W / SEC 12 / NENW /	County or Parish/State: SANDOVAL / NM
Well Number: 11	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: 3004321140	Well Status: Oil Well Shut In	Operator: DJR OPERATING LLC

Notice of Intent

Sundry ID: 2655615

Type of Submission: Notice of Intent	Type of Action: Plug and Abandonment
Date Sundry Submitted: 02/04/2022	Time Sundry Submitted: 09:17
Date proposed operation will begin: 02/04/2022	

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

- Bonanza_11_PA_Procedure_20220204091651.pdf
- Bonanza_11_Reclamation_Plan_20220204091652.pdf
- Bonanza_11_BIA_Rationale_Form_20220204091651.pdf
- Bonanza_11_Current_WBD_20220204091650.pdf
- Bonanza_11_Proposed_WBD_20220204091650.pdf

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Conditions of Approval

Additional Reviews

General_Requirement_PxA_20220216131539.pdf
2655615_NOIA_11_3004321140_KR_02162022_20220216131520.pdf
22N03W12CKd_Bonanza_11_20220216105944.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 04, 2022 09:16 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: 02/16/2022
Signature: Kenneth Rennick	

Plug and Abandonment Procedure
for
DJR Operating, LLC
Bonanza 11
API # 30-043-21140
NE/NW, Unit C, 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. TOOH with rods and pump. Lay down to be sent in for storage/salvage.
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 7030'. TOOH.
12. PU and TIH with a 5 1/2" cement retainer. Set the CR at +/- 7030'. 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. Dakota Perfs: RU cement equipment. Sting back into CR and attempt to mix and pump 10 sx through the CR into the Dakota perforations. If zone pressures up, sting out of CR and continue with Plug 2.
14. Plug 2. Dakota: Mix and spot a 50' plug of on top of retainer from 7030-6980'. Pump water to ensure tubing is clear.
15. Plug 3. Gallup: Mix and pump a balanced plug from 6021-5921'. Pump water to ensure tubing is clear.
16. Plug 4: Mancos: Mix and pump a balanced plug from 5182-5082'. Pump water to ensure tubing is clear. PUH to 4382'.
17. Plug 5. Mesa Verde: Mix and pump a balanced plug from 4382-4282'. Pump water to ensure tubing is clear.
18. Plug 6: Chacra: Mix and pump a balanced plug from 3593-3493'. Pump water to ensure tubing is clear.
19. Plug 7. Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo: Mix and pump a balanced plug from 2780-2330'. Pump water to ensure tubing is clear.
20. Plug 8: Nacimiento: Mix and pump a balanced plug from 1214-1114'. Pump water to ensure that tubing is clear.
21. Plug 9: Surface: Mix and pump a 653' plug inside 5 ½" casing 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 it to be installed at surface, 12"x18", and exposed at the reclaimed GL surface.

Current Wellbore Diagram
DJR Operating, LLC
Bonanza 11

API # 30-043-21140
SHL: NE/NW, Unit C, Sec 12, T22N, R3W
BHL: NW/NE, Unit B, Sec 12, T22N, R3W
Sandoval County, NM

GL 7180'
KB 7192'
Spud Date 7/18/2013

SURF CSG

Hole size 12.25"
Csg Size: 8.625"
Wt: 24#
Grade: J-55
ID: 8.097"
Depth 603'
Csg cap ft³: 0.3576
TOC: Surf

FORMATION TOPS

San Jose	Surface
Nacimiento	1164'
Ojo Alamo	2380'
Kirtland	2495'
Fruitland	2640'
Pictured Cliffs	2730'
Chacra	3543'
Mesa Verde	4332'
Mancos	5132'
Gallup	5971'
Dakota	7055'

PROD CSG

Hole size 7.875"
Csg Size: 5.5"
Wt: 15.5#
Grade: J-55
ID: 4.950"
Depth 7488'
Csg cap ft³: 0.1336
Csg/Csg Ann ft³: 0.1926
Csg/OH cap ft³: 0.1733
TOC: Stg 1 DV Tool (CBL)
TOC: Stg 2 Surface (CBL)

DV Tool at 5029'

Perfs 7056-7170'

PBTD (MD) 7443'
MD 7488'

TOC Circ to surface

Tubing Detail:

None

Proposed Wellbore Diagram

DJR Operating, LLC

Bonanza 11

API # 30-043-21140

SHL: NE/NW, Unit C, Sec 12, T22N, R3W

BHL: NW/NE, Unit B, Sec 12, T22N, R3W

Sandoval County, NM

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 TOC: Stg 2 Surface (CBL)

DV Tool at 5029'

CR at 7030'

Perfs 7056-7170'

PBTD (MD) 7443'
 MD 7488'

Plug 9: Surface casing shoe: Spot balanced plug of Class G cement from 653' to surface inside 5-1/2" casing.

TOC at surface.

Plug 8: Nacimiento: Spot balanced plug of Class G cement from 1214-1114'.

Plug 7: Pictured Cliffs, Fruitland, Ojo Alamo: Spot balanced plug of Class G cement from 2780-2330'.

Plug 6: Chacra: Spot balanced plug of Class G cement from 3593-3493'.

Plug 5: Mesaverde: Spot balanced plug of Class G cement from 4382-4282'.

Plug 4: Mancos: Spot balanced plug of Class G cement from 5182-5082'.

TOC at DV tool.

Plug 3: Gallup: Spot balanced plug of Class G cement plug from 6021-5921'.

Plug 2: Dakota: Spot Class G cement on top of CR from 7030-6980'.

Plug 1: Set CR at 7030'. Mix and attempt to place 10 sx Class G cement through CR into Dakota perfs.

**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**

AFMSS 2 Sundry ID 2655615

Attachment to notice of Intention to Abandon

Well: Bonanza 11

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. Adjust Plug 6, or add a plug, to cover BLM pick for the Chacra formation top (3143 feet).
 - b. Plug 7: Bring the bottom down to 2807 feet to cover BLM pick for the Pictured Cliffs formation top (2757 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 2/16/2022

BLM FLUID MINERALS P&A Geologic Report

Date Completed: 2/16/2022

Well No. Bonanza #11 (API# 30-043-21140)			<u>SHL</u> BHL	<u>660</u> 669	<u>FNL</u> FNL	<u>&</u> &	<u>1800</u> 1951	<u>FWL</u> FEL
Lease No. JIC360			Sec. 12	T22N			R03W	
Operator DJR Operating, LLC			County	Sandoval		State	New Mexico	
Total Depth	7488'	PBTD 7443'	Formation Dakota					
Elevation (GL) 7180'			Elevation (KB) 7192'					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm			Surface	1164	Surface/freshwater sands
Nacimiento Fm			1164	2380	Possible freshwater sands
Ojo Alamo Ss			2380	2495	Aquifer (potential fresh water)
Kirtland Shale			2495	2552	
Fruitland Fm			2552	2757	Coal/Gas/Possible water
Pictured Cliffs Ss			2757	2831	Gas
Lewis Shale			2831	3143	
Chacra			3143	4332	
Cliff House Ss			4332	4380	Water/Possible gas
Menefee Fm			4380	4952	Coal/Ss/Water/Possible O&G
Point Lookout Ss			4952	5132	Probable water/Possible O&G
Mancos Shale			5132	5971	
Gallup			5971	6970	O&G/Water
Greenhorn			6970	7038	
Graneros Shale			7038	7055	
Dakota Ss			7055	PBTD	O&G/Water

Remarks:

P & A

- Directional well bore. Formation top depths are MD from KB elevation.
- BLM pick for the Fruitland and Chacra formation tops vary from Operator.
- Adjust Plug #6, or add a plug, to cover BLM pick for the Chacra formation top (3143').
- Bring the bottom of proposed Plug #7 down to 2807' to cover BLM pick for the Pictured Cliffs formation top (2757').
- The plugs proposed in the P&A procedure, with changes recommended above, will adequately protect any freshwater sands in this wellbore.
- Dakota perms 7056' – 7170'.

Reference Well:

1) **Formation Tops**
Same

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 82149

CONDITIONS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 82149
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Adhere to BLM approved COAs and plugs. See GEO report.	2/23/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	2/23/2022