

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Sundry Print Report

Well Name: JICARILLA APACHE Well Location: T25N / R4W / SEC 4 / County or Parish/State: RIO

TRIBAL 122 SESE / 36.424306 / -107.251565 ARRIBA / NM

Well Number: 2 Type of Well: CONVENTIONAL GAS Allottee or Tribe Name:

WELL JICARILLA APACHE

Lease Number: JIC122 Unit or CA Name: Unit or CA Number:

US Well Number: 3003922927 Well Status: Producing Gas Well Operator: DJR OPERATING LLC

Notice of Intent

Sundry ID: 2664492

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 03/30/2022 Time Sundry Submitted: 08:31

Date proposed operation will begin: 03/30/2022

Procedure Description: This request is being submitted for engineering & geological review prior to onsite inspection as approved by Dave M. of the BLM. A Reclamation Plan will be submitted on a subsequent sundry at a later date. DJR Operating, LLC requests permission to Plug & Abandon the subject well according to the attached Procedure, Current & Proposed Wellbore Diagram.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Jicarilla_Apache_Tribal_122_2_BLM_Submittal_20220330083110.pdf

Page 1 of 2

TRIBAL 122

Well Location: T25N / R4W / SEC 4 / SESE / 36.424306 / -107.251565

County or Parish/State: RIO

ARRIBA / NM

Well Number: 2

Type of Well: CONVENTIONAL GAS

WELL

Allottee or Tribe Name: JICARILLA APACHE

Lease Number: JIC122

Unit or CA Name:

Unit or CA Number:

US Well Number: 3003922927

Well Status: Producing Gas Well

Operator: DJR OPERATING LLC

Conditions of Approval

Additional Reviews

General_Requirement_PxA_20220414145339.pdf

2664492_NOIA_122_2_3003922927_KR_04142022_20220414145322.pdf

25N04W04PKd_Jicarilla_Apache_Tribal_122_2_20220414140841.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: MAR 30, 2022 08:31 AM

Name: DJR OPERATING LLC

Title: Regulatory Specialist

Street Address: 1 Road 3263

State: NM City: Aztec

Phone: (505) 632-3476

Email address: sford@djrllc.com

Field Representative

Representative Name:

Street Address:

City: State:

Phone:

Email address:

BLM Point of Contact

Signature: Kenneth Rennick

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:** 04/14/2022

Zip:

Plug and Abandonment Procedure

for

DJR Operating, LLC

Jicarilla Apache Tribal 122 2

API # 30-039-22927

SE/SE, Unit P, Sec. 4, T25N, R4W

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. 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. Set tubing stop. Unseat inverted AD1 packer, release with LH turn.
- 6. MIRU hot oil unit, pump hot water to clear tubing of paraffin.
- 7. ND WH, NU BOP, function test BOP.
- 8. Trip out of hole with 2 3/8" tubing and packer. 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 7910'. TOOH.

- 12. PU and RIH with a 4 ½" cement retainer. Set the CR at +/- 7910'. Pressure test tubing to 1000 psi, sting out of CR, test casing to 600 psi. TOOH. If casing does not test, contact engineering. Prior operator's records are unclear, but they did find a hole in the casing at 3845', and possibly another hole around 3000'.
- 13. RU and RIH with CBL. Tag CR with logging tool, and load hole. Attempt to run from TOC to surface. Send CBL log to Kenny Rennick krennick@blm.gov, Monica Kueling monica.kueling@state.nm.us, Loren Diede ldiede@djrllc.com, Scott Lindsay slindsay@djrllc.com. Inside/outside plugs may be required, based on CBL.
- 14. Plug 1. RU cement equipment. TIH with workstring. Sting back into CR and attempt to squeeze 20 sx 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 plug 7910-7860' on top of CR. Pump water to ensure tubing is clear.
- 16. Plug 3. Gallup: Pump balanced plug from 7206-7106'. Pump water to ensure tubing is clear. TOOH.
- 17. Plug 4. Mancos: Pump balanced plug from 6028-5928'. Pump water to ensure tubing is clear. TOOH.
- 18. Plug 5. Mesa Verde: Pump balanced plug from 5365-5265'. Pump water to ensure tubing is clear. TOOH.
- 19. Plug 6. Chacra: Pump balanced plug from 4650-4550'. Pump water to ensure tubing is clear. TOOH.
- 20. Plug 7: Pictured Cliffs: Pump balanced plug from 3735-3635'. Pump water to ensure tubing is clear. TOOH.
- 21. Plug 8: Fruitland, Kirtland, and Ojo Alamo: Pump balanced plug from 3450-3064'. Pump water to ensure tubing is clear. TOOH.
- 22. Plug 9: Nacimiento: Pump balanced plug from 2250-2150'. Pump water to ensure tubing is clear. TOOH.
- 23. Plug 10: Surface casing shoe: Pump balanced plug from 463' to surface.
- 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.

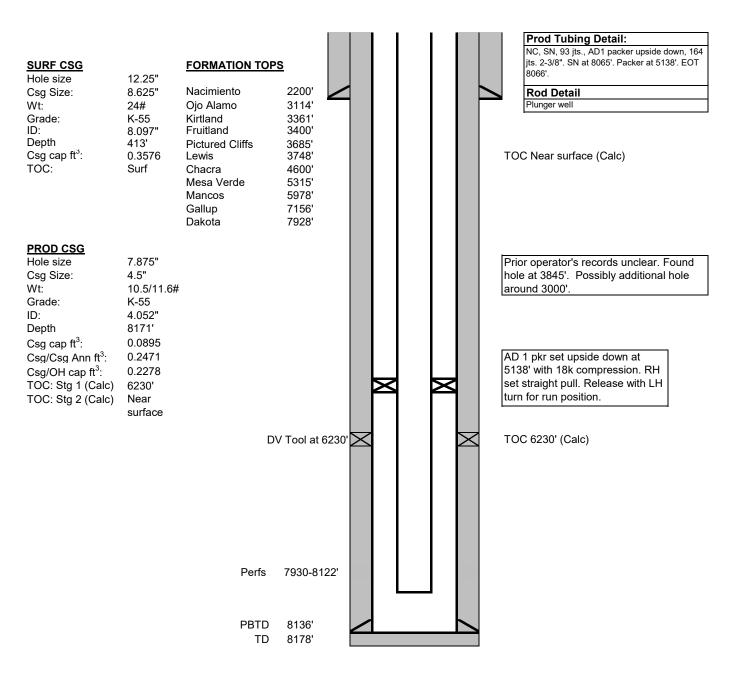
Note: All cement is to be Class G mixed at 15.8 ppg, yield 1.15 cu ft / sx. Cement volumes are based on inside capacities + 50' excess and outside capacities + 100% excess.

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

Current Wellbore Diagram DJR Operating, LLC Jicarilla Apache Tribal 122 2

API # 30-039-22927 SE/SE, Unit P, Sec 4, T25N, R4W Rio Arriba County, NM

GL 7225' KB 7239' Spud Date 5/15/1982

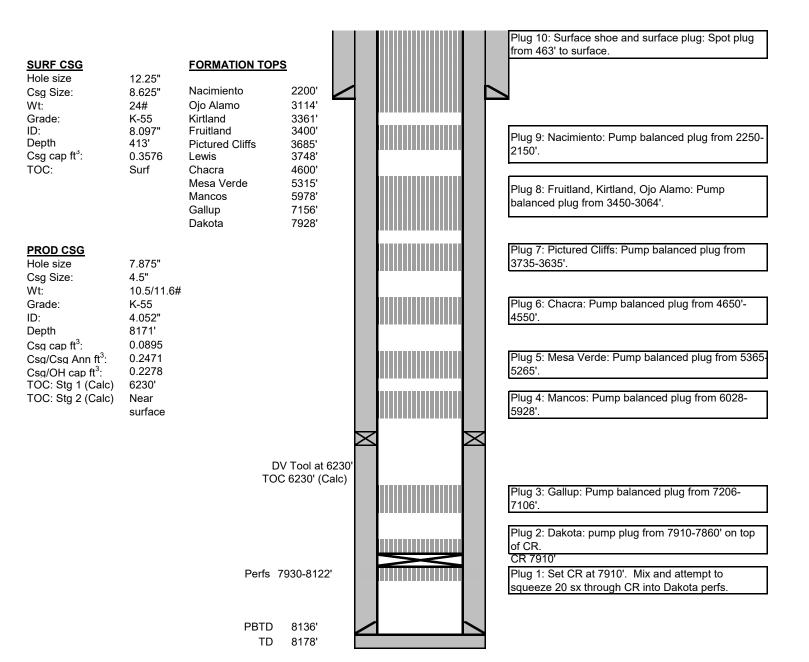


Proposed P&A Wellbore Diagram

DJR Operating, LLC Jicarilla Apache Tribal 122 2

API # 30-039-22927 SE/SE, Unit P, Sec 4, T25N, R4W Rio Arriba County, NM

GL 7225' KB 7239' Spud Date 5/15/1982



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

6251 COLLEGE BLVD. FARMINGTON, NEW MEXICO 87402

AFMSS 2 Sundry ID 2664492

Attachment to notice of Intention to Abandon

Well: Jicarilla Apache Tribal 122 2

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. Bring the top of Plug #3 (Gallup) up to 7002' to cover BLM formation top pick at 7052'.
 - b. Add a plug, or adjust Plug #6 (Chacra), to cover BLM formation top pick at 4200'.
 - c. Bring the bottom of Plug #8 (Fruitland, Kirtland, Ojo Alamo) down to 3561' to cover BLM formation top pick at 3511'.

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 4/14/2022

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 <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.

2

- 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 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: 04/14/2022

| Well No. Jic Apache Tribal 122 #2 (API# 30-045-07196) | | Location | 1090 | FSL | & | 920 | FEL |
|---|----------------------|-----------|------------|-----|-------|------------|-----|
| Lease No. JIC122 | | Sec. 04 | T25N | | | R04W | |
| Operator DJR Operating, LLC | | County | Rio Arriba | | State | New Mexico | |
| Total Depth 8178' | PBTD 8136' | Formation | Dakota | | | | |
| Elevation (GL) 7225' | Elevation (KB) 7239' | | | | | | |

| Geologic Formations | Est. Top | Est. Bottom | Log Top | Log Bottom | Remarks |
|----------------------------|----------|-------------|---------|------------|-----------------------------------|
| San Jose Fm | | | Surface | 2200 | Surface/possible freshwater sands |
| Nacimiento Fm | | | 2200 | 3114 | Possible freshwater sands |
| Ojo Alamo Ss | | | 3114 | 3361 | Aquifer (possible freshwater) |
| Kirtland Shale | | | 3361 | 3511 | |
| Fruitland Fm | | | 3511 | 3685 | Coal/Gas/Possible water |
| Pictured Cliffs Ss | | | 3685 | 3748 | Possible Gas |
| Lewis Shale | | | 3748 | 4200 | |
| Chacra | | | 4200 | 5315 | Possible Gas |
| Cliff House Ss | | | 5315 | 5431 | Water/Possible gas |
| Menefee Fm | | | 5431 | 5875 | Coal/Ss/Water/Possible O&G |
| Point Lookout Ss | | | 5875 | 5978 | Probable water/Possible O&G |
| Mancos Shale | | | 5978 | 7052 | |
| Gallup | | | 7052 | 7829 | O&G/Water |
| Greenhorn | | | 7829 | 7894 | |
| Graneros Shale | | | 7894 | 7928 | |
| Dakota Ss | | | 7928 | PBTD | O&G/Water |
| Morrison Formation | | | | | |

Remarks:

P & A

- BLM formation top picks for the Gallup, Chacra, and Fruitland vary from Operator.
- Bring the top of Plug #3 (Gallup) up to 7002' to cover BLM formation top pick at 7052'.
- Add a plug, or adjust Plug #6 (Chacra), to cover BLM formation top pick at 4200'.
- Bring the bottom of Plug #8 (Fruitland, Kirtland, Ojo Alamo) down to 3561' to cover BLM formation top pick at 3511'.
- The plugs proposed in the P&A procedure, with changes recommended above, will adequately protect any freshwater sands in this well bore.
- Dakota perfs 7930' 8122'.

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

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 99087

CONDITIONS

| Operator: | OGRID: |
|--------------------|-------------------------------------|
| DJR OPERATING, LLC | 371838 |
| 1 Road 3263 | Action Number: |
| Aztec, NM 87410 | 99087 |
| | Action Type: |
| | [C-103] NOI Plug & Abandon (C-103F) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|--|-------------------|
| kpickford | Notify NMOCD 24 hours before beginning operations | 4/19/2022 |
| kpickford | Adhere to BLM approved plugs and COAs. See GEO Report. | 4/19/2022 |