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

Sundry Print Report

06/20/2022

Well Name: CHACON AMIGOS

Well Location: T22N / R3W / SEC 1 / SWNE /

County or Parish/State: SANDOVAL / NM

Well Number: 8

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: 3004320603

Well Status: Oil Well Shut In

Operator: DJR OPERATING LLC

Notice of Intent

Sundry ID: 2672249

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 05/18/2022

Time Sundry Submitted: 08:57

Date proposed operation will begin: 05/18/2022

Procedure Description: This request is being submitted for engineering & geological review prior to onsite inspection as approved by Dave M. of the BLM. 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

BLM_Submittal_20220518085720.pdf

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Conditions of Approval

Additional

2672249_NOIA_8_3004320603_KR_06172022_20220617145451.pdf

General_Requirement_PxA_20220617145420.pdf

22N03W01GKd_Chacon_Amigos_8_20220617121558.pdf

Operator

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

Operator Electronic Signature: SHAW-MARIE FORD

Signed on: MAY 18, 2022 08:57 AM

Name: DJR OPERATING LLC

Title: Regulatory Specialist

Street Address: 1 Road 3263

City: Aztec **State:** NM

Phone: (505) 632-3476

Email address: sford@djrllc.com

Field

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: 06/17/2022

Signature: Kenneth Rennick

Plug and Abandonment Procedure

for

DJR Operating, LLC

Chacon Amigos 8

API # 30-043-20603

SW/NE, Unit G, Sec. 1, T22N, R3W

Sandoval County, NM

1. Hold Pre job meeting, comply with all NMOCD, BLM and environmental regulations.

2. MIRU.

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. PU workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 6900'. Drop SV and test tubing to 1000 psi. Retrieve SV. TOOH.

10. PU and TIH with a 4 ½" cement retainer. Set the CR +/- 6900'.

11. Plug 1: Dakota perforations: RU cement equipment. 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.

12. Plug 2. Mix and spot plug on top of CR from 6900-6850'. Pump water to ensure tubing is clear.

13. Plug 3. Gallup perfs: PU and TIH with 4-1/2" CR and set CR +/- 5950'. Attempt to mix and pump 10 sx through the CR into the Gallup perforations. Sting out and pump water to ensure tubing is clear. Roll hole. TOOH.

14. RU and RIH with CBL. Run from top of CR to surface. Send CBL log to Kenneth Rennick krennick@blm.gov, Monica Kueling monica.kueling@state.nm.us, Loren Diede ldiede@djrllc.com, Scott Lindsay slindsay@djrllc.com. Plugs may be adjusted per log run. POOH.

15. TIH. Pressure test tubing to 600 psi. Contact engineering if casing does not test.

16. Plug 4: Gallup top: Mix and spot plug on top of CR from 5950-5635'. Pump water to ensure tubing is clear.

17. Plug 5. Mancos: Pump a balanced plug from 5000-4900'. Pump water to ensure tubing is clear. TOOH.

18. Plug 6. Mesa Verde: Pump a balanced plug from 4290-4190'. Pump water to ensure tubing is clear. TOOH.

19. Plug 7. Chacra: RIH with wireline and perforate holes at 3546'. POOH. TIH with CR and set at +/-3496'. Mix and pump sufficient volume to bring TOC to 3446', inside and outside. Pump water to ensure tubing is clear.

20. Plug 8: Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo: Pump a balanced plug from 2754-2307'. Pump water to ensure that tubing is clear. TOOH.

21. Plug 9: Nacimiento: RIH with wireline and perforate holes at 1300'. POOH. TIH with CR and set +/- 1250'. Mix and pump sufficient volume to bring TOC to 1200' inside and outside. Pump water to ensure tubing is clear.

22. Plug 10: Surface casing shoe: Perforate holes at 318'. Tie onto 4-1/2" casing and mix and pump sufficient volume to bring 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 8

API # 30-043-20603
SW/NE, Unit G, Sec 1, T22N, R3W
Sandoval County, NM

GL	**7229'**
KB	**7243'**
Spud Date	**1/11/1982**

SURF CSG

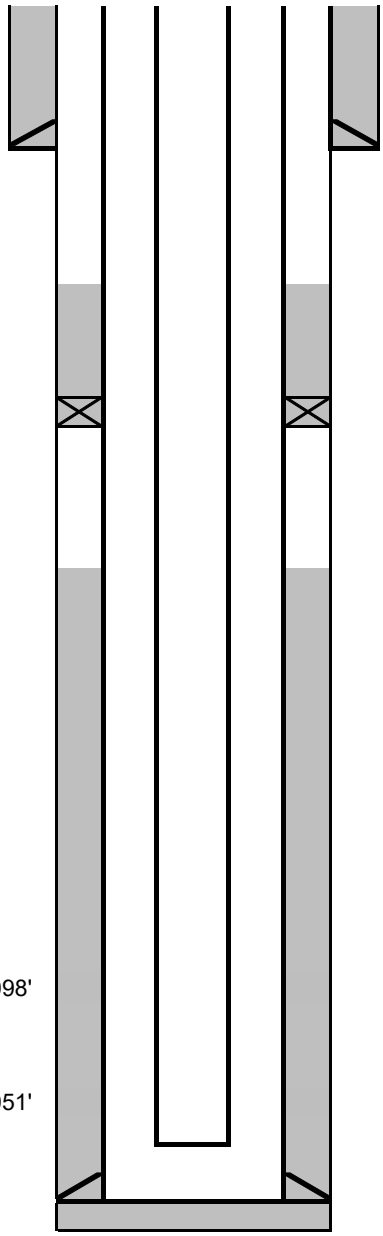
Hole size	12.25"
Csg Size:	8.625"
Wt:	24#
Grade:	K-55
ID:	8.097"
Depth	268'
Csg cap ft^3:	0.3576
TOC:	Surf

PROD CSG

Hole size	7.875"
Csg Size:	4.5"
Wt:	10.5/11.6#
Grade:	K-55
ID:	4.052"
Depth	7194'
Csg cap ft^3:	0.0895
Csg/Csg Ann ft^3:	0.2471
Csg/OH cap ft^3:	0.2278
TOC: Stg 1 (Calc)	3625'
TOC: Stg 2 (TS)	1770'

FORMATION TOPS

San Jose	Surface
Nacimiento	1250'
Ojo Alamo	2357'
Kirtland	2500'
Fruitland	2583'
Pictured Cliffs	2704'
Lewis	2793'
Chacra	3496'
Mesa Verde	4240'
Mancos	4950'
Gallup	5685'
Dakota	6941'



DV Tool at 2994'

TOC 3625' (Calc.)

Perfs 5962-6098'

Perfs 6942-7051'

PBTD 7132'
TD 7194'

Prod Tubing Detail:

MA, PS, SN, 34 jts. 2-3/8", TAC, 181 jts, 4',6' sub, 1 jt.

Rod Detail

2"x1-1/4"x14'x44" RHAC pumpe, 3x1-1/4" sinker bars, 9x7/8" rods with snap on guides, 141 plain rods, 24x3/4" plain rods, 99x3/4" rods with moded guides, and 21' polished rod with 10' liner.

Proposed PxA Wellbore

DJR Operating, LLC

Chacon Amigos 8

API # 30-043-20603
SW/NE, Unit G, Sec 1, T22N, R3W
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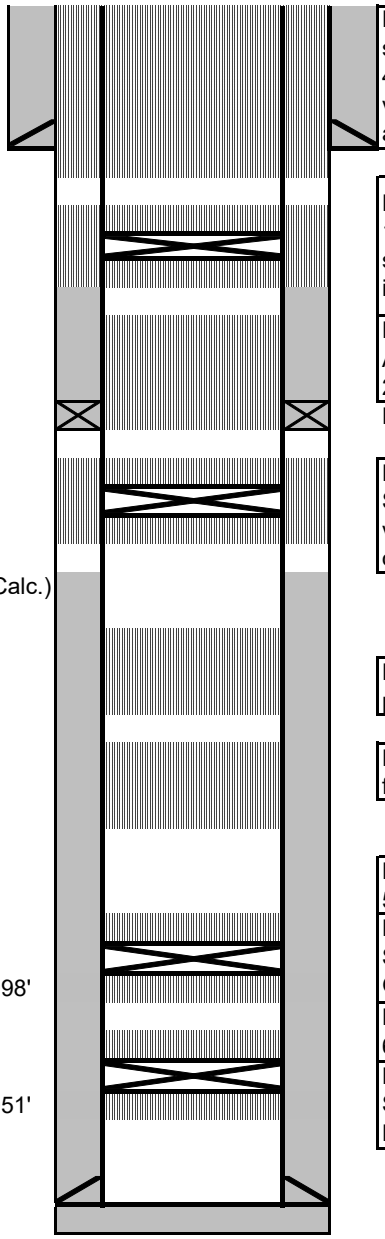

Plug 10: Surface casing shoe and surface plug: Perf holes at 318'. Tie onto 4-1/2" casing and mix and pump sufficient volume to bring cement to surface, inside and outside.

Plug 9: Nacimiento top: Perf holes at 1300'. Set CR at 1250'. Mix and pump sufficient volume to bring TOC to 1200' inside and outside.

Plug 8: Pictured Cliffs, Fruitland, Ojo Alamo tops: Spot balanced plug from 2754-2307'.

DV Tool at 2994'

Plug 7: Chacra top: Perf holes at 3546'. Set CR at 3496'. Mix and pump sufficient volume to bring TOC to 3446', inside and outside.

Plug 6: Mesa Verde top: Spot balanced plug from 4290-4190'.

Plug 5: Mancos top: Spot balanced plug from 5000-4900'.

Plug 4: Gallup top: Spot cement from 5950' to 5635' on top of CR.

Plug 3: Gallup perfs: Set CR at 5950'. Squeeze 10 sx cement through CR into Gallup perfs.

Plug 2: Dakota top: Spot cement from 6900' to 6850' on top of CR.

Plug 1: Dakota perfs: Set CR at 6900'. Squeeze 10 sx cement through CR into Dakota perfs.

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

AFMSS 2 Sundry ID 2672249

Attachment to notice of Intention to Abandon

Well: Chacon Amigos 8

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.

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 6/17/2022

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 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 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.

BLM FLUID MINERALS
P&A Geologic Report

Date Completed: 06/17/2022

Well No. Chacon Amigos #8 (API# 30-043-20603)		Location	1850 FNL	&	1850 FEL	
Lease No. JIC360		Sec. 01	T22N		R03W	
Operator DJR Operating, LLC		County	Sandoval	State	New Mexico	
Total Depth 7194’	PBTD 7132’	Formation	Gallup/Dakota			
Elevation (GL) 7229’		Elevation (KB)	7243’			

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose			Surface	1250	Surface/possible freshwater sands
Nacimiento			1250	2357	Possible freshwater sands
Ojo Alamo Ss			2357	2500	Aquifer (possible freshwater)
Kirtland Shale			2500	2583	Possible gas
Fruitland			2583	2704	Coal/Gas/Water
Pictured Cliffs Ss			2704	2793	Probable Gas
Lewis Shale			2793	3496	
Chacra			3496	4240	Possible Gas
Cliff House Ss			4240	4309	Water/possible gas
Menefee			4309	4735	Coal/Ss/Water/probable gas
Point Lookout Ss			4735	4950	Probable water/possible O&G
Mancos Shale			4950	5685	Probable O&G
Gallup			5685	6852	O&G
Greenhorn			6852	6925	
Graneros Shale			6925	6941	
Dakota Ss			6941	PBTD	O&G/water
Morrison					

Remarks:
P & A

- The plugs proposed in the P&A procedure will adequately protect any freshwater sands in this well bore.
- Gallup perfs 5962’ – 6098’.
- Dakota perfs 6942’ – 7051’.

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 118579

CONDITIONS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 118579
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	CBL required	6/22/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	6/22/2022
kpickford	Adhere to BLM approved plugs and COAs. See GEO Report	6/22/2022