U.S. Department of the Interior BUREAU OF LAND MANAGEMENT		Sundry Print Repor
Well Name: BADLANDS FLAT	Well Location: T23N / R2W / SEC 24 / SWSE /	County or Parish/State: SANDOVAL / NM
Well Number: 2	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name: JICARILLA APACHE
Lease Number: JIC163	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004320495	Well Status: Producing Gas Well	Operator: DJR OPERATING LLC

Notice of Intent

Sundry ID: 2677138

1400

Type of Submission: Notice of Intent

Date Sundry Submitted: 06/15/2022

Date proposed operation will begin: 06/15/2022

Type of Action: Plug and Abandonment Time Sundry Submitted: 03:08

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

NOI_PA_BLM_Submittal_20220615150751.pdf

I	eceived by OCD: 6/23/2022 7:48:45 AM Well Name: BADLANDS FLAT	Well Location: T23N / R2W / SEC 24 / SWSE /	County or Parish/State: Page 2 of SANDOVAL / NM	11
	Well Number: 2	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name: JICARILLA APACHE	
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Conditions of Approval

Specialist Review

General_Requirement_PxA_20220622134831.pdf

2677138_NOIA_2_3004320495_KR_06222022_20220622134811.pdf

23N2W24BadlandFlats2KGR_20220622134542.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

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:

Phone:

Email address:

State:

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK

BLM POC Phone: 5055647742

Disposition: Approved

Signature: Kenneth Rennick

Signed on: JUN 15, 2022 03:08 PM

BLM POC Title: Petroleum Engineer

Zip:

BLM POC Email Address: krennick@blm.gov

Disposition Date: 06/22/2022

Plug and Abandonment Procedure

for

DJR Operating, LLC

Badland Flats 2

API # 30-043-20495

SW/SE, Unit O, Sec. 24, T23N-R2W

Sandoval County, NM

I.

- 1. Hold Pre job meeting, comply with all NMOCD, BLM and environmental regulations.
- 2. MIRU rig.
- 3. Check and record 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. ND WH, NU BOP, function test BOP.

II.

- 6. Plug 1: Perfs, Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo: PU and TIH with 1-1/2" IJ scanned yellow band workstring. Spot balanced plug from 3000-2566'. Pump water to ensure tubing is clear. TOOH. Pressure up on casing and WOC. TIH and tag TOC. Top off if necessary. Roll hole and pressure test casing to 600 psi.
- 7. Plug 2: Nacimiento: Spot balanced plug from 790-690'. Pump water to ensure tubing is clear.
- 8. Plug 3: Surface casing shoe and surface plug: Spot balanced plug from 145' to surface inside casing.
- RD cementing equipment. Cut off wellhead, fill any exposed annulus with cement, as necessary. <u>Install surface P&A marker as per BIA requirements.</u> Record GPS coordinates for P&A marker and the Final P&A Report. Photograph the P&A marker and attach to the report.

- 10. RD and MO all rig and cement equipment. Ensure that location is free of trash and contamination before moving off.
- 11. Send all reports and attachments to DJR Aztec office for regulatory filings.

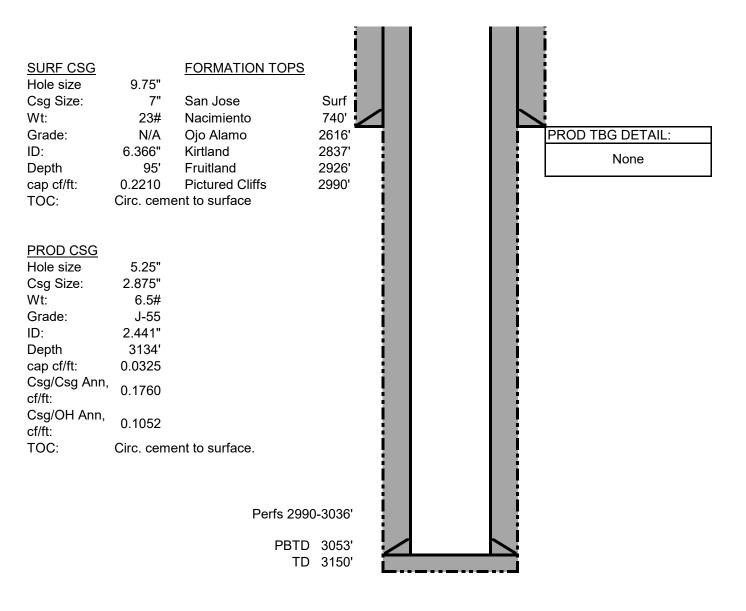
Note: All cement is to be Class G mixed at 15.8 ppg, yield 1.15 cu ft / sx. Cement volumes are based on inside capacities + 50' excess and outside capacities + 100% excess.

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

Current Wellbore Diagram DJR Operating, LLC Badland Flats 2 API # 30-043-20495

SW/SE, Unit O, Sec 24, T23N, R2W Sandoval County, NM

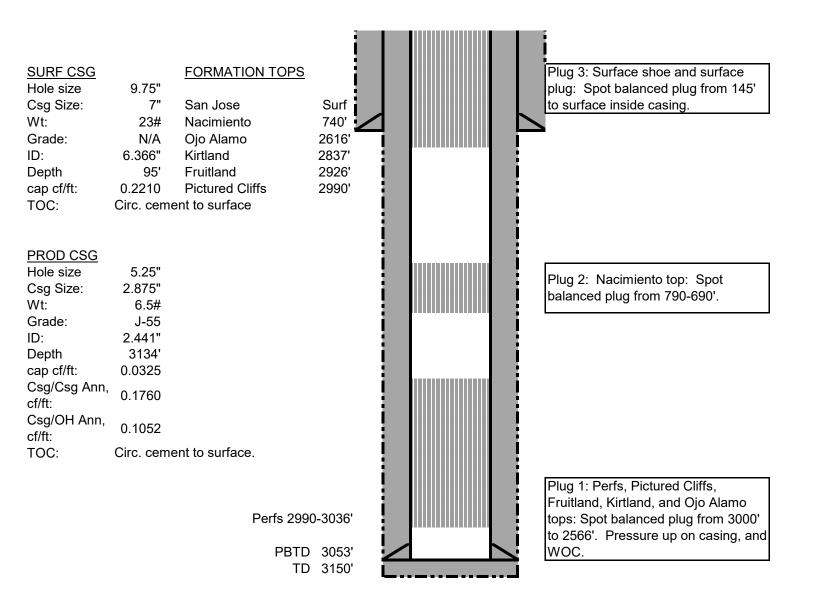
> GL 7375' KB N/A Spud Date 10/10/1980



Proposed Wellbore Diagram DJR Operating, LLC Badland Flats 2 API # 30-043-20495

SW/SE, Unit O, Sec 24, T23N, R2W Sandoval County, NM

> GL 7375' KB N/A Spud Date 10/10/1980



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

6251 COLLEGE BLVD. FARMINGTON, NEW MEXICO 87402

AFMSS 2 Sundry ID 2677138

Attachment to notice of Intention to Abandon

Well: Badlands Flat 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 (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 6/22/2022

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.

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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.

BLM FLUID MINERALS P&A Geologic Report

Date Completed: 06/22/2022

Well No. Badland Flats 2 (API# 30-043-20495)		Location:	SWSE				
Lease No. JIC163		Sec. 24	T23N			R2W	
Operator DJR Operating, LLC		County	Sando	val	State	New Me	exico
Total Depth 3150'	PBTD 3053'	Formation	Pictured	Cliffs			
Elevation (GL) 7375'	Elevation (KE	B) NA					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/freshwater sands
Nacimiento Fm			740		Possible freshwater sands
Ojo Alamo Ss			2616		Aquifer (possible freshwater)
Kirtland Shale			2837		
Fruitland Fm			2926		Coal/Gas/Possible water
Pictured Cliffs Ss			2990		Gas
Lewis Shale					
Chacra					Gas
Cliff House					Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos					Water/Possible gas
Gallup					O&G/Water
Greenhorn					
Graneros Shale					
Dakota Ss					O&G/Water

<u>Remarks:</u> P & A

Reference Well:

- Picture Cliffs perforations 2990 – 3036'

Prepared by: Kenneth Rennick

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	119731
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

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

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Action 119731