

Form 3160-3
(June 2015)FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: ☐ DRILL ☐ REENTER 1b. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Other 1c. Type of Completion: ☐ Hydraulic Fracturing ☐ Single Zone ☐ Multiple Zone		5. Lease Serial No. 6. If Indian, Allottee or Tribe Name 7. If Unit or CA Agreement, Name and No. 8. Lease Name and Well No.
2. Name of Operator		9. API Well No. 30-045-38321
3a. Address	3b. Phone No. (include area code)	10. Field and Pool, or Exploratory
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface At proposed prod. zone		11. Sec., T. R. M. or Blk. and Survey or Area
14. Distance in miles and direction from nearest town or post office*		12. County or Parish
13. State		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of acres in lease	17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. in file
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
24. Attachments		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- | | |
|---|---|
| 1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be requested by the BLM. |
|---|---|

25. Signature	Name (Printed/Typed)	Date
Title		
Approved by (Signature)	Name (Printed/Typed)	Date
Title		
Office		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

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.

(Continued on page 2)

*(Instructions on page 2)



DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

DISTRICT II
811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-38321	² Pool Code 5860	³ Pool Name BISTI, S-GALLUP (O)
⁴ Property Code 334695	⁵ Property Name PONDEROSA	⁶ Well Number 136H
⁷ OGRID No. 371838	⁸ Operator Name DJR OPERATING, LLC	⁹ Elevation 6801

¹⁰ Surface Location

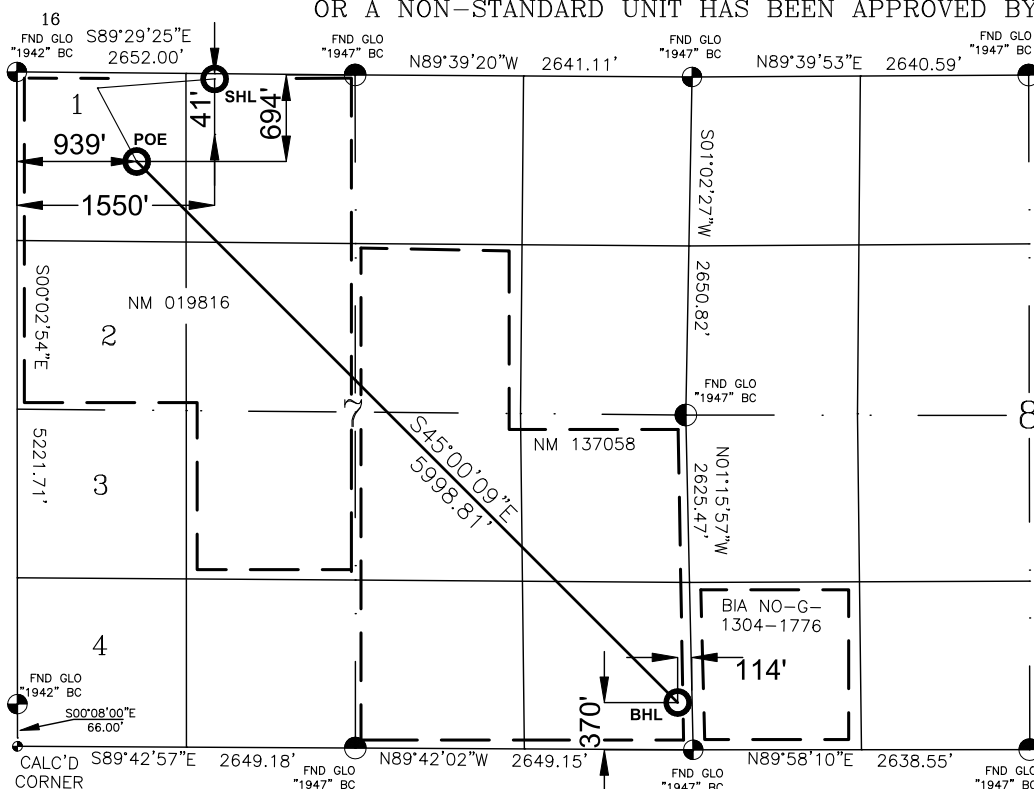
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	7	23-N	9-W		41	NORTH	1550	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	7	23-N	9-W		370	SOUTH	114	EAST	SAN JUAN

¹² Dedicated Acres SEE DETAIL BELOW	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



DETAIL: DEDICATED ACRES

SEC. 7: LOT 1, LOT 2, E2/NW,
NE/SW, SW/NE, SE/4 (400.52 ACRES)
SEC. 8: SW/SW, (40 ACRES)
TOTAL = 440.52 ACRES

SURFACE (SHL)

41' FNL, 1550' FWL SEC. 7
LAT: 36.2485784° N
LONG: 107.8338664° W NAD83

POINT OF ENTRY (POE)

694' FNL, 939' FWL SEC. 7
LAT: 36.2467982° N
LONG: 107.8359354° W NAD83

BOTTOM HOLE (BHL)

370' FSL, 114' FEL SEC. 7
LAT: 36.2351682° N
LONG: 107.8215349° W NAD83

17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or a working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Shaw-Marie Ford 03/18/22

Signature Date

Shaw-Marie Ford

Printed Name

sford@djrlc.com

E-mail Address

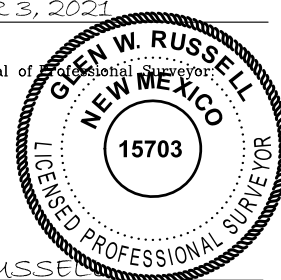
18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

NOVEMBER 3, 2021

Date of Survey

Signature and Seal of Professional Surveyor



GLEN W. RUSSELL

Certificate Number

15703

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: DJR Operating, LLC **OGRID:** 371838 **Date:** 09 / 06 / 2023

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Ponderosa 114H	TBD	C-07-23N-09W	30 FNL x 1534 FWL	383	488	136
Ponderosa 115H	TBD	N-06-23N-09W	4 FSL x 1485 FWL	407	519	145
Ponderosa 116H	TBD	C-07-23N-09W	7 FNL x 1502 FWL	420	535	149
Ponderosa 120H	TBD	C-07-23N-09W	19 FNL x 1518 FWL	371	472	132
Ponderosa 136H	TBD	C-07-23N-09W	41 FNL x 1550 FWL	337	430	120

IV. Central Delivery Point Name: Chaco Processing Plant [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Ponderosa 114H	TBD	07/01/2024	07/08/2024	08/15/2024	08/25/2024	08/27/2024
Ponderosa 115H	TBD	07/08/2024	07/15/2024	08/15/2024	08/27/2024	08/29/2024
Ponderosa 116H	TBD	07/15/2024	07/22/2024	08/15/2024	08/28/2024	08/30/2024
Ponderosa 120H	TBD	07/22/2024	07/29/2024	08/15/2024	08/29/2024	09/01/2024
Ponderosa 136H	TBD	07/29/2024	08/06/2024	08/15/2024	08/30/2024	09/02/2024

VI. Separation Equipment: ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan**EFFECTIVE APRIL 1, 2022**

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☒ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. ☐ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

If Operator checks this box, Operator will select one of the following:

Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: <i>Shaw-Marie Ford</i>
Printed Name: Shaw-Marie Ford
Title: Regulatory Specialist
E-mail Address: sford@djrlc.com
Date: 09/06/2023
Phone: 505-716-3297
OIL CONSERVATION DIVISION (Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:



DJR OPERATING, LLC.
OGRID NO: 371838
NATURAL GAS MANAGEMENT PLAN
Ponderosa 114H, 115H, 116H, 120H and 136H
NENW C-07-23N-09W

SEPARATION EQUIPMENT

DJR Operating, LLC (DJR) has pulled representative pressurized samples from wells in the same producing formation. DJR has utilized these samples in process simulations to determine the amount of gas anticipated in each stage of the process and utilized this information with a safety factor to size the equipment listed below:

Separation equipment will be set as follows:

- Individual 3-phase separator will be set for the individual well.
- The separator will be sized based on the anticipated volume of the well and the pressure of the lines utilized for oil, gas, and water takeaway.
- The 3-phase production separator will be equipped with a 0.75 MMBtu/hr indirect fired heater.

Heater treaters will be set as follows:

- Individual heater treaters will be set for the individual well.
- The heater treaters are sized based on the anticipated combined volume of oil and produced water predicted to come from the initial 3-phase separator.
- Oil will be separated from the produced water and the oil/produced water will be sent to its respective tanks.
- The combined oil and natural gas stream is routed to the Vapor Recovery Tower.

Vapor Recovery Equipment will be set as follows:

- The Vapor Recovery Tower has been sized, based on the anticipated volume of gas from the heater treater and oil and water tanks.
- The Vapor Recovery Unit has been sized, based on the anticipated volume of gas from the heater treater and oil and water tanks. The Vapor Recovery Unit is utilized to push the recovered gas into the sales pipeline.

Production storage tanks will be set as follows:

- The oil and produced water tanks utilize a closed vent capture system to ensure all breathing, working, and flashing losses are routed to the Vapor Recovery Tower and Vapor Recovery Unit.
- Each of the production storage tanks will be equipped with a 0.5 MMBtu/hr indirect heater.



DJR OPERATING, LLC.
OGRID NO: 371838
NATURAL GAS MANAGEMENT PLAN
Ponderosa 114H, 115H, 116H, 120H and 136H
NENW C-07-23N-09W

VENTING and FLARING

DJR Operating, LLC (DJR) has a natural gas system available prior to startup of completion operations. DJR utilizes a Vapor Recovery Unit System and sells all natural gas except during periods of startup, shutdown, maintenance, or malfunction for the gas capturing equipment, including the vapor recovery tower, vapor recovery unit, storage tanks, and pipelines.

Currently, DJR utilizes the following from list A-I of Section 3 for its operations to minimize flaring:

- a) DJR utilizes natural gas-powered generators to power its leases where grid power isn't available.
- b) When electrical grid power is unavailable, natural gas generators will be used for major equipment onsite.
- c) DJR's in service compression will be natural gas powered.
- d) Should liquids removal, such as dehydration be required, units will be powered by natural gas.

DJR will only flare gas during the following times:

- o Scheduled maintenance for gas capturing equipment including:
 - o Vapor Recovery Tower
 - o Vapor Recovery Unit
 - o Storage tanks
 - o Pipelines
 - o Emergency flaring



DJR OPERATING, LLC.
OGRID NO: 371838
NATURAL GAS MANAGEMENT PLAN
Ponderosa 114H, 115H, 116H, 120H and 136H
NENW C-07-23N-09W

OPERATIONAL PRACTICES

19.15.27.8 A. Venting and Flaring of Natural Gas

DJR Operating, LLC (DJR) understands the requirements of NMAC 19.15.27.8 which states that the venting and flaring of natural gas during drilling, completion or production that constitutes waste as defined in 19.15.2 are prohibited.

19.15.27.8 B. Venting and flaring during drilling operations

- DJR shall capture or combust natural gas if technically feasible during drilling operations using best industry practices.
- A flare stack with a 100% capacity for expected volumes will be set on location of the facility at least 100 feet from the nearest surface hole location, well heads, and storage tanks.
- In the event of an emergency, DJR will vent natural gas in order to avoid substantial impact. DJR shall report the vented or flared gas to the NMOCD.

19.15.27.8 E. Venting and flaring during completion or recompletion operations

During Completion Operations, DJR utilizes the following:

- DJR facilities are built and ready from day 1 of Flowback.
- Individual well test separators will be set to properly separate gas and liquids. Temporary test separator will be utilized initially to process volumes. In addition, separators will be tied into flowback tanks which will be tied into the gas processing equipment for sales down a pipeline. See Separation Equipment for details.
- Should the facility not yet be capable of processing gas, or the gas does not meet quality standards, then storage tanks will be set that are tied into gas busters or temporary flare to manage natural gas. This flare would meet the following requirements:
 - 1) An appropriately sized flare stack with an automatic igniter.
 - 2) DJR analyzes the natural gas samples twice per week.
 - 3) DJR routes the natural gas into a gathering pipeline as soon as the pipeline specifications are met.
 - 4) DJR provides the NMOCD with pipeline specifications and natural gas data.



19.15.27.8 D. Venting and flaring during production operations

During Production Operations DJR will not vent or flare natural gas except under the following circumstances:

1. During an emergency or malfunction
2. To unload or clean-up liquid holdup in a well to atmospheric pressure, provided:
 - a. DJR does not vent after the well achieves a stabilized rate and pressure.
 - b. DJR will remain present on-site during liquids unloading by manual purging and take all reasonable actions to achieve a stabilized rate and pressure at the earliest practical time.
 - c. DJR will optimize the system to minimize natural gas venting on any well equipped with a plunger lift or auto control system.
 - d. Best Management Practices will be used during downhole well maintenance.
3. During the first year of production from an exploratory well provided:
 - a. DJR receives approval from the NMOCD.
 - b. DJR remains in compliance with the NM gas capture requirements.
 - c. DJR submits an updated C-129 form to the NMOCD.
4. During the following activities unless prohibited:
 - a. Gauging or sampling a storage tank or low-pressure production vessel.
 - b. Loading out liquids from a storage tank.
 - c. Repair and maintenance.
 - d. Normal operation of gas activated pneumatic controller or pump.
 - e. Normal operation of a storage tank but not including venting from a thief hatch.
 - f. Normal operation of dehydration units.
 - g. Normal operations of compressors, compressor engines, turbines, valves, flanges, and connectors.
 - h. During a bradenhead, packer leakage test, or production test lasting less than 24-hours.
 - i. When natural gas does not meet the gathering pipeline specifications.
 - j. Commissioning of pipelines, equipment, or facilities only for as long as necessary to purge introduced impurities.

19.15.27.8 E. Performance standards

1. DJR has utilized process simulations with a safety factor to design all separation and storage equipment. The equipment is routed to a Vapor Recovery System and utilizes a flare as back up for periods of startup, shutdown, maintenance, or malfunction of the VRU System.
2. DJR will install a flare that designed to handle the full volume of vapors from the facility in case of the VRU failure and it is designed with an auto ignition system.
3. Flare stacks will appropriately sized and designed to ensure proper combustion efficiency.



- a. Flare stacks installed or replaced will be equipped with an automatic ignitor or continuous pilot.
 - b. Previously installed flare stacks will be retrofitted with an automatic ignitor, continuous pilot, or technology that alerts DJR of flare malfunction within 18 months after May 25, 2021.
 - c. Flare stacks replaced after May 25, 2021, will be equipped with an automatic ignitor or continuous pilot if located at a well or facility with average daily production of 60,000 cubic feet of natural gas or less.
 - d. Flare stacks will be located at least 100 feet from the well and storage tanks and securely anchored.
4. DJR will conduct an AVO inspection on all components for leaks and defects on a weekly basis.
 5. DJR will make and keep records of AVO inspections which will be available to the NMOCD for at least 5 years.
 6. DJR may use a remote or automated monitoring technology to detect leaks and releases in lieu of AVO inspections with prior NMOCD approval.
 7. Facilities will be designed to minimize waste.
 8. DJR will resolve emergencies as promptly as possible.

19.15.27.8 F. Measurement or estimation of vented and flared natural gas

1. DJR will have meters on both the low- and high-pressure sides of the flares and the volumes will be recorded in DJR's SCADA system.
2. DJR will install equipment to measure the volume of flared natural gas that has an average daily production of 60,000 cubic feet or greater of natural gas.
3. DJR's measuring equipment will conform to the industry standards.
4. The measurement system is designed such that it cannot be bypassed except for inspections and servicing meters.
5. DJR will estimate the volume of vented or flared natural gas using a methodology that can be independently verified if metering is not practicable due to low flow rate or pressure.
6. DJR will estimate the volume of flared and vented natural gas based on the results of an annual GOR test for wells that do not require measuring equipment reported on Form C-116.
7. DJR will install measuring equipment whenever the NMOCD determines that metering is necessary.



DJR OPERATING, LLC.
OGRID NO: 371838
NATURAL GAS MANAGEMENT PLAN
Ponderosa 114H, 115H, 116H, 120H and 136H
NENW C-07-23N-09W

BEST MANAGEMENT PRACTICES

DJR Operating, LLC (DJR) utilizes the following Best Management Practices to minimize venting during active and planned maintenance.

DJR has a closed vent capture system to route emissions from the heater treater, tanks, and vapor recovery to the vapor recovery unit with an enclosed combustion device (ECD) for backup. The system is designed such that if the vapor recovery unit is taken out of service for any reason, the vapors will be routed to the ECD for combustion.

DJR will isolate and attempt to route all vapors to the vapor recovery unit or ECD prior to opening any lines for maintenance to minimize venting from the equipment.

DJR shall notify the NMOCD of venting or flaring that exceeds 50 MCF but less than 500 MCF in volume that either resulted from an emergency or malfunction, or an event lasting over eight hours or more cumulatively within any 24-hour period from a single event by filing a form C-129 no later than 15 days following the discovery or commencement of venting or flaring.

DJR shall notify the NMOCD verbally or by e-mail within 24-hours following discovery or commencement of venting or flaring that exceeds 500 MCF in volume or otherwise qualifies as a major release as defined in 19.15.29.7 NMAC from a single event and provide the information required in form C-129 to the NMOCD no later than 15 days that verifies, updates, or corrects the verbal or e-mail notification.

DJR will install measuring equipment to conform to industry standards such as American Petroleum Institute (API) Manual of Petroleum Measurement Standards (MPMS) Chapter 14.10 Measurement of Flow to Flares.

DJR's measuring equipment shall not be designed or equipped with a manifold that allows the diversion of natural gas around the metering element except for the sole purpose of inspecting and servicing the measurement equipment.

DJR shall report the volume of vented and flared natural gas for each well or facility at which venting or flaring occurred on a monthly basis.

Rev 0



DRILLING PLAN

Ponderosa #136H

San Juan County, New Mexico

Surface Location

1550-ft FWL & 41-ft FNL
 Sec 7 T23 R9
 Graded Elevation 6801' MSL
 RKB Elevation 6815' (14' KB)

SHL Geographical Coordinates (NAD-83)

Latitude 36.2485784° N
 Longitude 107.8338664° W

Kick Off Point for Horizontal Build Curve

3808-ft MD
 3666-ft TVD

Local Coordinates (from SHL)

71-ft South
 919-ft West

Heel Location (Pay zone entry)

939-ft FWL & 694-ft FNL
 Sec 7 T23 R9

Heel Geographical Coordinates (NAD-83)

Latitude 36.24679823° N
 Longitude 107.83593535° W

Bottom Hole Location (TD)

114-ft FEL & 370-ft FSL
 Sec 7 T23 R9

BHL Geographical Coordinates (NAD-83)

Latitude 36.2351682° N
 Longitude 107.8215349° W

Well objectives

This well is planned as a 6000-ft lateral in the Mancos Silt sand.

Bottom Hole temperature and pressure

The temperature in the Mancos Silt horizontal objective is 129°F. Bottom hole pressure in the Mancos Silt is forecast to be 1985 psi.

Formation Tops (Sd = Sand; Sh = Shale; Siltstone = Slt, Coal = C; W = water; O = oil; G = gas; NP = no penetration)

Name	MD (ft)	TVD (ft)	Lithology	Pore fluid	Expected Pore Pressure (ppg)	Planned Mud Weight (ppg)
Ojo Alamo	408	408	Sd	W	8.3	8.4 – 8.8
Kirtland	516	516	Sh	-	8.3	8.4 – 8.8
Fruitland	903	901	C	G	8.3	9.0 - 9.5
Pictured Cliffs	1160	1153	Sd	W	8.3	9.0 - 9.5
Lewis	1331	1317	Sh	-		9.0 - 9.5
Chacra	1995	1947	Sd	-	8.3	9.0 - 9.5
Menefee	2652	2570	Sd, C	G	8.3	9.0 - 9.5
Point Lookout	3714	3577	Sd	-	8.3	9.0 - 9.5
Mancos	3876	3731	Sh	-		9.0 - 9.5
Mancos Silt	4198	4036	Slt	O/G	6.6	9.0 - 9.5
Gallup A	NP	NP	Slt	O/G	6.6	9.0 - 9.5
Gallup B	NP	NP	Sd	O/G	6.6	8.8 - 9.0
Gallup C	NP	NP	Sd	O/G	6.6	8.8 - 9.0
Target	4945	4410	Sd	O/G	6.6	8.8 - 9.0

Casing Program

Casing OD	Hole Size	Weight (#/ft)	Grade	Coupling	MD Top	MD Bottom	TVD Top	TVD Bottom	Top of Cement
9-5/8"	12-1/4"	36	K-55	STC	surf	350	surf	350	surface
7"	8-3/4"	26	K-55	LTC	surf	4884	surf	4408	surface
4-1/2"	6-1/8"	11.6	P-110	BTC	4596	10941	4322	4375	4596

Note: all casing will be new

Rev 0

**Casing Design Load Cases**

		Casing String		
Description		9-5/8" Surface	7" Intermediate	4-1/2" Production Liner
Collapse	Full internal evacuation ¹	✓	✓	✓
	Cementing	✓	✓	✓
Burst	Pressure test	✓ ²	✓ ²	✓
	Gas kick		✓ ³	
	Fracture at shoe, 1/3 BHP at surface		✓ ⁴	
	Injection down casing			✓ ⁵
Axial	Dynamic load on casing coupling ⁶	✓	✓	✓
Axial	Overpull ⁷	✓	✓	✓

Note #

- 1 Fluid level at shoe, air column to surface, pore pressure outside
- 2 Tested to 80% of minimum internal yield with freshwater inside, pore pressure outside
- 3 50 bbl kick at TD, 0.50 ppg intensity, 4" drill pipe, 9.0 ppg mud, fracture gradient at shoe
- 4 2060 psi BHP, 687 psi surface pressure, 12.5 ppg EMW shoe integrity
- 5 Surface stimulation pressure of 8000 psi on 8.3 ppg fluid column. Stimulation will be down frac string, so load does not apply to 7" intermediate casing.
- 6 Shock load from abrupt pipe deceleration, evaluated against coupling rating
- 7 Overpull values as follows: Surface casing 20,000 lbs, Intermediate & Production 100,000 lbs

Casing Design Factors

		Design Factors			
Casing string	Casing OD	Burst	Collapse	Axial	Triaxial
Surface	9-5/8"	1.25	13.38	8.16	1.56
Intermediate	7"	1.25	1.50	1.68	1.34
Production liner	4-1/2"	1.37	3.68	1.88	1.69

Cement Design9-5/8" Surface Casing

	Lead
Name	Redi-Mix
Type	I-II
Planned top	Surface
Density (ppg)	14.50
Yield (cf/sx)	1.61
Mix water (gal/sx)	7.41
Volume (sx)	114
Volume (bbls)	33
Volume (cu. ft.)	185
Excess %	50

7" Intermediate Casing

	Lead	Tail
	BJ Services	BJ Services
Type	III	Poz/G
Planned top	Surface	3308-ft
Density (ppg)	12.30	13.50
Yield (cf/sx)	2.34	1.50
Mix water (gal/sx)	13.26	7.20
Volume (sx)	319	252
Volume (bbls)	133	67
Volume (cu.ft.)	748	376
Excess %	55	55



Rev 0

4-1/2" Production Liner

	BJ Services
Type	Poz/G
Planned top	4596-ft
Density (ppg)	13.3
Yield (cf/sx)	1.56
Mix water (gal/sx)	7.71
Volume (sx)	533
Volume (bbls)	148
Volume (cu.ft)	832
Excess %	40

Wellhead & Pressure Control

The well head will be an 11" 5M multi-bowl system. A 3M BOPE conforming to Onshore Order #2 will be installed on the surface casing. The BOP and accumulator will meet API 16D and 16E respectively.

A PVT mud monitoring system and a trip tank will be rigged up and operational for all hole intervals. An electronic geolograph will be employed to monitor and record drilling data (ROP, WOB, SPM, Pressure, RPM and torque).

Mud Program

Surface hole will be drilled with a fresh water, native mud system. In intermediate hole, a low weight 7% KCl LSND drilling fluid will be used, with KCl providing chemical stability for the young shales and clays present in the interval. In production hole a LSND system with polymer and lubricant additives is programmed. Sufficient drill water and mud additives will be on hand to maintain adequate pit volumes and maintain well control.

Hole Section	Fluid type	Interval (MD)	Density (ppg)	Funnel Viscosity	Yield Point	Fluid Loss (cc/30 min)
Surface	Fresh water spud mud	0 – 350	8.4 – 8.8	32 – 44	2 – 12	NC
Intermediate	7% KCl Low solids, non-dispersed	350 – 4884	9.0 – 9.5	38 – 45	8 – 14	<20
Production	Low solids, non-dispersed	4884 – 10941	8.8 – 9.2	34 – 38	6 – 8	6 – 8

Cores, tests and logs

Wellbore surveying: Drift (inclination only) surveys will be obtained in surface hole. MWD directional surveys will be taken in intermediate and production hole.

Logging while drilling: None in surface hole. MWD GR in intermediate and production hole.

Mud logging: a two-person mud logging unit with C1 – C4 gas analysis will be operational in intermediate and production hole.

Electric logging: No open hole electric logs are programmed. A cased hole GR/CCL will be run during completions for perforating depth control.

Cuttings and drilling fluids management

A closed loop, steel tank-based circulating system will be used. In addition to the rig solids control equipment, a dewatering centrifuge and chemical flocculation system will be operational to strip solids from the whole mud. All solids will be collected in 3-sided bins and will then be put into transports with a bucket loader. Drying agents will be used if necessary. The solids will be taken to a licensed commercial disposal facility. Whole mud will be dewatered back to drill water and used as make up for subsequent wells or hauled off for disposal. A diagram of the closed loop system is included.

Completion

It is envisioned that this well will be completed with a multi-stage sand frac, using the plug and perf technique. After drilling out the plugs, the current plan is to install a 2-7/8" plunger-assisted gas lift tubing string. The stimulation and completion plan will be sundried at a later date.



Company: DJR Operating
Project: Ponderosa Unit
Site: C07 2309
Well: # 136H
Wellbore: Original Drilling
Design: APD

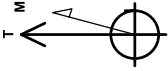
WELL DETAILS: # 136H

			GL 6801' & RKB 14' @ 6815ft	Latitude	Longitude
+N/-S	+E/-W	Northing	Easting	36.24857840	-107.83386640
0	0	1909781.02	2722934.49		1

Plan: APD (# 136H/Original Drilling)
Created By: Janie Collins Date: 13:54, August 30 2021

PROJECT DETAILS: Ponderosa Unit

Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: New Mexico Western Zone
System Datum: Mean Sea Level
Local North: True



Azimuths to True North
Magnetic North: 10.1°
Magnetic Field
Strength: 50613.31 nT
Dip Angle: 63.3°
Date: 12/31/2019
Model: IGRF2008.10

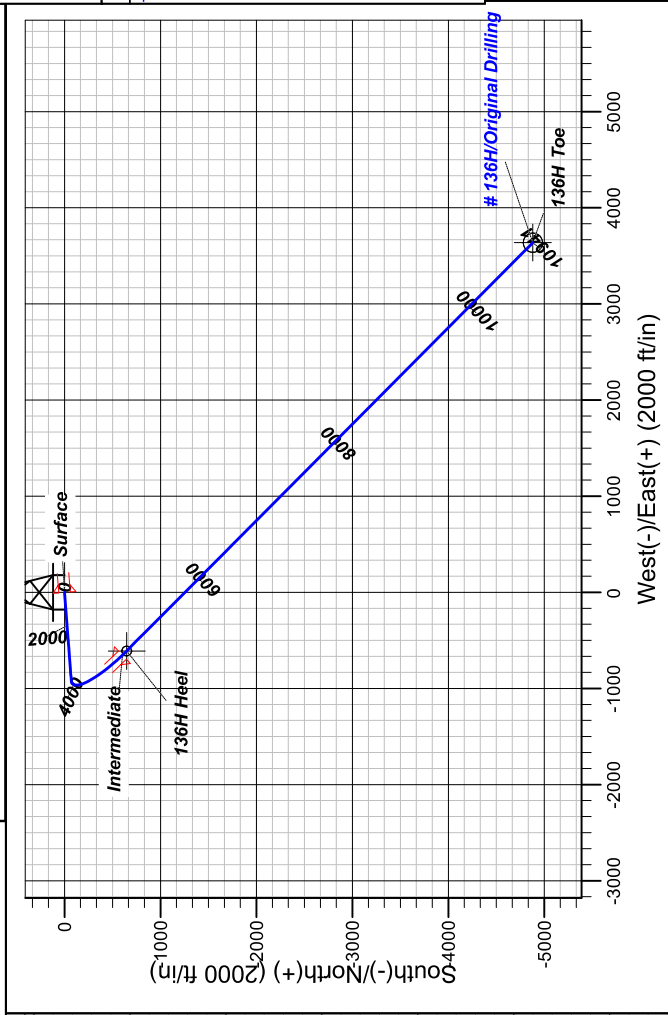
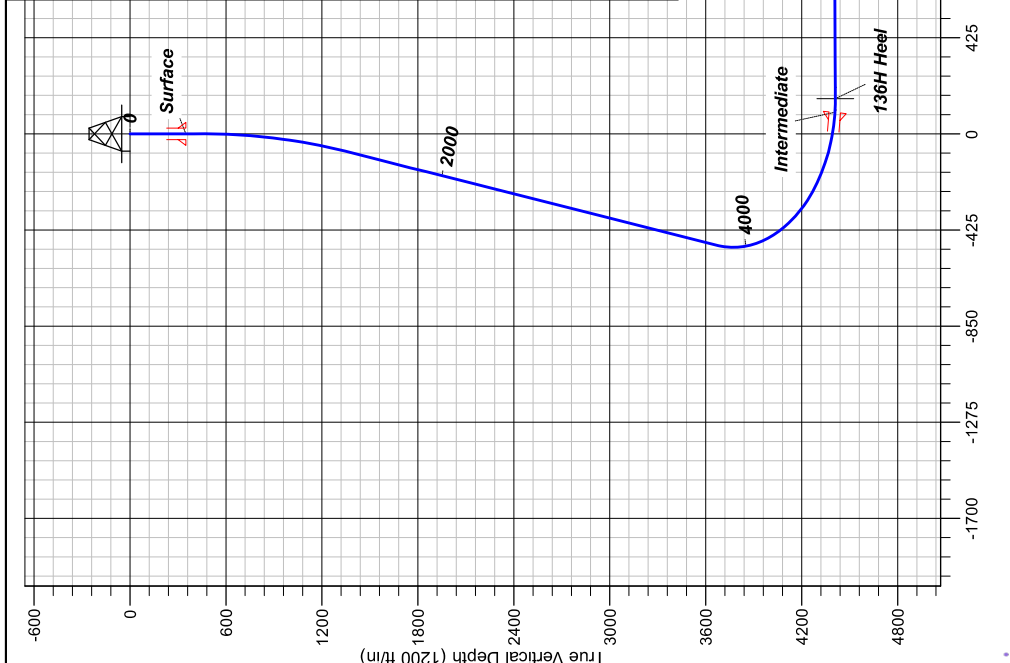
DESIGN TARGET DETAILS

136H Heel	136H Toe
MD	MD
0	0
1377	1377
1806	1806
3806	3806
4375	4375
10941	10941

MD	Inc	Azi	TVD	+N/-S	+E/-W
0	0.00	0.00	0	0	0.00
450	0.00	0.00	450	0	0.00
1377	18.54	265.60	1361	0	0.00
1806	18.54	265.60	1361	-11	-148
3806	90.34	134.91	4375	-648	-3637
4375	90.34	134.91	4375	-4881	0.00
10941	90.34	134.91	4375	-4881	0.00

SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	Vsect	
0	0.00	0.00	0	0	0.00	0.00	0.00	0	
450	0.00	0.00	450	0	0.00	0.00	0.00	0	
1377	18.54	265.60	1361	0	0.00	0.00	0.00	0	
1806	18.54	265.60	1361	-11	-148	2.00	265.60	-79	
3806	90.34	134.91	4375	-648	-3637	9.00	-129.00	-422	
4375	90.34	134.91	4375	-4881	0.00	0.00	-129.00	-157	
10941	90.34	134.91	4375	-4881	0.00	0.00	0.00	6087	



FORMATION DETAILS	
TVDPath	MDPath
408	408
516	516
901	901
1153	1160
1317	1331
1947	1995
2570	2652
3577	3714
3731	3876
4036	4198
Formation	
Ojo Alamo	
Kirtland	
Fruitland	
Pictured Cliffs	
Lewis	
Chacra	
Menefee	
Point Lookout	
Mancos	
Mancos Silt	

136H/Original Drilling/APD



DJR Operating

Ponderosa Unit

C07 2309

136H - Slot 1

Original Drilling

Plan: APD

Standard Planning Report

30 August, 2021





Lonestar Consulting, LLC
Planning Report



Database:	Grand Junction	Local Co-ordinate Reference:	Well # 136H - Slot 1
Company:	DJR Operating	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Project:	Ponderosa Unit	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site:	C07 2309	North Reference:	True
Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Drilling		
Design:	APD		

Project	Ponderosa Unit		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Western Zone		

Site	C07 2309				
Site Position:		Northing:	1,909,781.02 usft	Latitude:	36.24857840
From:	Lat/Long	Easting:	2,722,934.49 usft	Longitude:	-107.83386640
Position Uncertainty:	0 ft	Slot Radius:	13.20 in	Grid Convergence:	0.00

Well	# 136H - Slot 1					
Well Position	+N/-S	0 ft	Northing:	1,909,781.02 usft	Latitude:	36.2485784
	+E/-W	0 ft	Easting:	2,722,934.49 usft	Longitude:	-107.8338664
Position Uncertainty		0 ft	Wellhead Elevation:		Ground Level:	6801

Wellbore	Original Drilling				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	12/31/2009	10.02	63.07	50.613.70637925

Design	APD			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0	0	0	143.31

Plan Survey Tool Program			Date	8/30/2021	
Depth From (ft)	Depth To (ft)	Survey (Wellbore)	Tool Name	Remarks	
1	0	10,941	APD (Original Drilling)	MWD+HDGM	
				OWSG MWD + HDGM	

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0	0.00	0.00	0	0	0	0.00	0.00	0.00	0.00	
450	0.00	0.00	450	0	0	0.00	0.00	0.00	0.00	
1377	18.54	265.60	1361	-11	-148	2.00	2.00	0.00	265.60	
3808	18.54	265.60	3666	-71	-919	0.00	0.00	0.00	0.00	
4945	90.34	134.91	4410	-648	-610	9.00	6.32	-11.50	-129.10	136H Heel
10,941	90.34	134.91	4375	-4881	3637	0.00	0.00	0.00	0.00	136H Toe



Lonestar Consulting, LLC
Planning Report



Database:	Grand Junction	Local Co-ordinate Reference:	Well # 136H - Slot 1
Company:	DJR Operating	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Project:	Ponderosa Unit	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site:	C07 2309	North Reference:	True
Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Drilling		
Design:	APD		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0	0.00	0.00	0	0	0	0	0.00	0.00	0.00
100	0.00	0.00	100	0	0	0	0.00	0.00	0.00
200	0.00	0.00	200	0	0	0	0.00	0.00	0.00
300	0.00	0.00	300	0	0	0	0.00	0.00	0.00
400	0.00	0.00	400	0	0	0	0.00	0.00	0.00
450	0.00	0.00	450	0	0	0	0.00	0.00	0.00
500	1.00	265.60	500	0	0	0	2.00	2.00	0.00
600	3.00	265.60	600	0	-4	-2	2.00	2.00	0.00
700	5.00	265.60	700	-1	-11	-6	2.00	2.00	0.00
800	7.00	265.60	799	-2	-21	-11	2.00	2.00	0.00
900	9.00	265.60	898	-3	-35	-19	2.00	2.00	0.00
1000	11.00	265.60	997	-4	-52	-28	2.00	2.00	0.00
1100	13.00	265.60	1094	-6	-73	-39	2.00	2.00	0.00
1200	15.00	265.60	1191	-7	-97	-52	2.00	2.00	0.00
1300	17.00	265.60	1288	-10	-125	-67	2.00	2.00	0.00
1377	18.54	265.60	1361	-11	-148	-79	2.00	2.00	0.00
1400	18.54	265.60	1383	-12	-156	-83	0.00	0.00	0.00
1500	18.54	265.60	1478	-14	-187	-100	0.00	0.00	0.00
1600	18.54	265.60	1572	-17	-219	-117	0.00	0.00	0.00
1700	18.54	265.60	1667	-19	-251	-134	0.00	0.00	0.00
1800	18.54	265.60	1762	-22	-282	-151	0.00	0.00	0.00
1900	18.54	265.60	1857	-24	-314	-168	0.00	0.00	0.00
2000	18.54	265.60	1952	-27	-346	-185	0.00	0.00	0.00
2100	18.54	265.60	2046	-29	-377	-202	0.00	0.00	0.00
2200	18.54	265.60	2141	-32	-409	-219	0.00	0.00	0.00
2300	18.54	265.60	2236	-34	-441	-236	0.00	0.00	0.00
2400	18.54	265.60	2331	-36	-473	-253	0.00	0.00	0.00
2500	18.54	265.60	2426	-39	-504	-270	0.00	0.00	0.00
2600	18.54	265.60	2520	-41	-536	-287	0.00	0.00	0.00
2700	18.54	265.60	2615	-44	-568	-304	0.00	0.00	0.00
2800	18.54	265.60	2710	-46	-599	-321	0.00	0.00	0.00
2900	18.54	265.60	2805	-49	-631	-338	0.00	0.00	0.00
3000	18.54	265.60	2900	-51	-663	-355	0.00	0.00	0.00
3100	18.54	265.60	2994	-53	-695	-372	0.00	0.00	0.00
3200	18.54	265.60	3089	-56	-726	-389	0.00	0.00	0.00
3300	18.54	265.60	3184	-58	-758	-406	0.00	0.00	0.00
3400	18.54	265.60	3279	-61	-790	-423	0.00	0.00	0.00
3500	18.54	265.60	3374	-63	-821	-440	0.00	0.00	0.00
3600	18.54	265.60	3468	-66	-853	-457	0.00	0.00	0.00
3700	18.54	265.60	3563	-68	-885	-474	0.00	0.00	0.00
3800	18.54	265.60	3658	-71	-917	-491	0.00	0.00	0.00
3808	18.54	265.60	3666	-71	-919	-492	0.00	0.00	0.00
3900	14.75	239.61	3754	-78	-944	-501	9.00	-4.14	-28.31
4000	15.23	204.33	3851	-96	-960	-496	9.00	0.48	-35.28
4100	20.12	179.04	3946	-125	-965	-476	9.00	4.89	-25.30
4200	27.14	164.79	4038	-165	-959	-441	9.00	7.02	-14.24
4300	35.02	156.31	4123	-213	-942	-392	9.00	7.88	-8.48
4400	43.30	150.68	4201	-269	-913	-329	9.00	8.28	-5.63
4500	51.77	146.57	4268	-332	-875	-256	9.00	8.48	-4.11
4600	60.36	143.33	4324	-400	-827	-173	9.00	8.59	-3.24
4700	69.02	140.60	4367	-471	-771	-83	9.00	8.66	-2.73
4800	77.72	138.18	4395	-544	-709	12	9.00	8.70	-2.43
4900	86.43	135.91	4409	-616	-641	111	9.00	8.72	-2.27
4945	90.34	134.91	4410	-648	-610	155	9.00	8.72	-2.22



Lonestar Consulting, LLC
Planning Report



Database:	Grand Junction	Local Co-ordinate Reference:	Well # 136H - Slot 1
Company:	DJR Operating	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Project:	Ponderosa Unit	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site:	C07 2309	North Reference:	True
Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Drilling		
Design:	APD		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5000	90.34	134.91	4410	-687	-571	210	0.00	0.00	0.00
5100	90.34	134.91	4410	-758	-500	309	0.00	0.00	0.00
5200	90.34	134.91	4409	-828	-429	408	0.00	0.00	0.00
5300	90.34	134.91	4408	-899	-359	507	0.00	0.00	0.00
5400	90.34	134.91	4408	-969	-288	605	0.00	0.00	0.00
5500	90.34	134.91	4407	-1040	-217	704	0.00	0.00	0.00
5600	90.34	134.91	4407	-1111	-146	803	0.00	0.00	0.00
5700	90.34	134.91	4406	-1181	-75	902	0.00	0.00	0.00
5800	90.34	134.91	4405	-1252	-4	1001	0.00	0.00	0.00
5900	90.34	134.91	4405	-1322	66	1100	0.00	0.00	0.00
6000	90.34	134.91	4404	-1393	137	1199	0.00	0.00	0.00
6100	90.34	134.91	4404	-1464	208	1298	0.00	0.00	0.00
6200	90.34	134.91	4403	-1534	279	1397	0.00	0.00	0.00
6300	90.34	134.91	4402	-1605	350	1496	0.00	0.00	0.00
6400	90.34	134.91	4402	-1675	421	1595	0.00	0.00	0.00
6500	90.34	134.91	4401	-1746	491	1694	0.00	0.00	0.00
6600	90.34	134.91	4401	-1817	562	1793	0.00	0.00	0.00
6700	90.34	134.91	4400	-1887	633	1892	0.00	0.00	0.00
6800	90.34	134.91	4399	-1958	704	1990	0.00	0.00	0.00
6900	90.34	134.91	4399	-2028	775	2089	0.00	0.00	0.00
7000	90.34	134.91	4398	-2099	845	2188	0.00	0.00	0.00
7100	90.34	134.91	4398	-2170	916	2287	0.00	0.00	0.00
7200	90.34	134.91	4397	-2240	987	2386	0.00	0.00	0.00
7300	90.34	134.91	4397	-2311	1058	2485	0.00	0.00	0.00
7400	90.34	134.91	4396	-2381	1129	2584	0.00	0.00	0.00
7500	90.34	134.91	4395	-2452	1200	2683	0.00	0.00	0.00
7600	90.34	134.91	4395	-2523	1270	2782	0.00	0.00	0.00
7700	90.34	134.91	4394	-2593	1341	2881	0.00	0.00	0.00
7800	90.34	134.91	4394	-2664	1412	2980	0.00	0.00	0.00
7900	90.34	134.91	4393	-2734	1483	3079	0.00	0.00	0.00
8000	90.34	134.91	4392	-2805	1554	3178	0.00	0.00	0.00
8100	90.34	134.91	4392	-2876	1624	3276	0.00	0.00	0.00
8200	90.34	134.91	4391	-2946	1695	3375	0.00	0.00	0.00
8300	90.34	134.91	4391	-3017	1766	3474	0.00	0.00	0.00
8400	90.34	134.91	4390	-3087	1837	3573	0.00	0.00	0.00
8500	90.34	134.91	4389	-3158	1908	3672	0.00	0.00	0.00
8600	90.34	134.91	4389	-3229	1979	3771	0.00	0.00	0.00
8700	90.34	134.91	4388	-3299	2049	3870	0.00	0.00	0.00
8800	90.34	134.91	4388	-3370	2120	3969	0.00	0.00	0.00
8900	90.34	134.91	4387	-3440	2191	4068	0.00	0.00	0.00
9000	90.34	134.91	4386	-3511	2262	4167	0.00	0.00	0.00
9100	90.34	134.91	4386	-3582	2333	4266	0.00	0.00	0.00
9200	90.34	134.91	4385	-3652	2403	4365	0.00	0.00	0.00
9300	90.34	134.91	4385	-3723	2474	4464	0.00	0.00	0.00
9400	90.34	134.91	4384	-3793	2545	4562	0.00	0.00	0.00
9500	90.34	134.91	4384	-3864	2616	4661	0.00	0.00	0.00
9600	90.34	134.91	4383	-3935	2687	4760	0.00	0.00	0.00
9700	90.34	134.91	4382	-4005	2758	4859	0.00	0.00	0.00
9800	90.34	134.91	4382	-4076	2828	4958	0.00	0.00	0.00
9900	90.34	134.91	4381	-4146	2899	5057	0.00	0.00	0.00
10,000	90.34	134.91	4381	-4217	2970	5156	0.00	0.00	0.00
10,100	90.34	134.91	4380	-4287	3041	5255	0.00	0.00	0.00
10,200	90.34	134.91	4379	-4358	3112	5354	0.00	0.00	0.00
10,300	90.34	134.91	4379	-4429	3183	5453	0.00	0.00	0.00



Lonestar Consulting, LLC
Planning Report



Database:	Grand Junction	Local Co-ordinate Reference:	Well # 136H - Slot 1
Company:	DJR Operating	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Project:	Ponderosa Unit	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site:	C07 2309	North Reference:	True
Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Drilling		
Design:	APD		

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	
10,400	90.34	134.91	4378	-4499	3253	5552	0.00	0.00	0.00	
10,500	90.34	134.91	4378	-4570	3324	5651	0.00	0.00	0.00	
10,600	90.34	134.91	4377	-4640	3395	5750	0.00	0.00	0.00	
10,700	90.34	134.91	4376	-4711	3466	5848	0.00	0.00	0.00	
10,800	90.34	134.91	4376	-4782	3537	5947	0.00	0.00	0.00	
10,900	90.34	134.91	4375	-4852	3607	6046	0.00	0.00	0.00	
10,941	90.34	134.91	4375	-4881	3637	6087	0.00	0.00	0.00	

Design Targets										
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude	
- hit/miss target										
- Shape										
136H Toe	0.00	0.00	4375	-4881	3637	1,904,899.62	2,726,571.10	36.23516820	-107.82153490	
- plan hits target center										
- Circle (radius 100)										
136H Heel	0.00	0.00	4410	-648	-610	1,909,133.01	2,722,324.43	36.24679823	-107.83593535	
- plan hits target center										
- Circle (radius 50)										

Casing Points					
Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (in)	Hole Diameter (in)	
350	350	Surface	9.63	12.25	
4884	4408	Intermediate	7.00	8.75	

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
408	408	Ojo Alamo		0.00	0.00	
516	516	Kirtland		0.00	0.00	
903	901	Fruitland		0.00	0.00	
1160	1153	Pictured Cliffs		0.00	0.00	
1331	1317	Lewis		0.00	0.00	
1995	1947	Chacra		0.00	0.00	
2652	2570	Menefee		0.00	0.00	
3714	3577	Point Lookout		0.00	0.00	
3876	3731	Mancos		0.00	0.00	
4198	4036	Mancos Silt		0.00	0.00	



DJR Operating

Ponderosa Unit

C07 2309

136H

Original Drilling

APD

Anticollision Report

30 August, 2021





Lonestar Consulting, LLC

Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well # 136H - Slot 1
Project:	Ponderosa Unit	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Reference Site:	C07 2309	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site Error:	0 ft	North Reference:	True
Reference Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Well Error:	0 ft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Reference	APD		
Filter type:	NO GLOBAL FILTER: Using user defined selection & filtering criteria		
Interpolation Method:	Stations	Error Model:	ISCWSA
Depth Range:	Unlimited	Scan Method:	Closest Approach 3D
Results Limited by:	Maximum centre distance of 2000ft	Error Surface:	Pedal Curve
Warning Levels Evaluated at:	2.00 Sigma	Casing Method:	Not applied

Survey Tool Program		Date	8/30/2021		
From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description	
0	10,941	APD (Original Drilling)	MWD+HDGM	OWSG MWD + HDGM	

Summary						
Site Name	Reference Measured Depth (ft)	Offset Measured Depth (ft)	Distance Between Centres (ft)	Distance Between Ellipses (ft)	Separation Factor	Warning
Offset Well - Wellbore - Design						
C07 2309						
# 114H - Original Drilling - APD	450	450	20	17	7.061	CC
# 114H - Original Drilling - APD	1000	997	22	15	3.255	ES
# 114H - Original Drilling - APD	3808	3802	79	40	2.024	SF
# 115H - Original Drilling - APD	450	450	80	77	28.326	CC
# 115H - Original Drilling - APD	500	499	80	77	25.245	ES
# 115H - Original Drilling - APD	10,941	11,025	701	381	2.187	SF
# 116H - Original Drilling - APD	611	608	59	56	15.092	CC, ES
# 116H - Original Drilling - APD	10,941	10,985	1282	965	4.041	SF
# 120H - Original Drilling - APD	605	604	39	36	10.100	CC, ES
# 120H - Original Drilling - APD	10,941	10,572	1304	972	3.936	SF

Offset Design: C07 2309 - # 114H - Original Drilling - APD													Offset Site Error:	0 ft
Survey Program:		0-MWD+HDGM						Rule Assigned:					Offset Well Error:	0 ft
Reference	Offset	Semi Major Axis		Offset Wellbore Centre			Distance					Warning		
Measured Depth (ft)	Vertical Depth (ft)	Measured Depth (ft)	Vertical Depth (ft)	Reference (ft)	Offset (ft)	Highside Toolface (°)	+N/-S (ft)	+E/-W (ft)	Between Centres (ft)	Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor		
0	0	0	0	0	0	-55.19	11	-16	20					
100	100	100	100	0	0	-55.19	11	-16	20	20	0.31	64.536		
200	200	200	200	1	1	-55.19	11	-16	20	19	1.03	19.406		
300	300	300	300	1	1	-55.19	11	-16	20	18	1.74	11.420		
400	400	400	400	1	1	-55.19	11	-16	20	17	2.46	8.090		
450	450	450	450	1	1	-55.19	11	-16	20	17	2.82	7.061 CC		
500	500	500	500	2	2	39.28	11	-17	20	17	3.17	6.289		
600	600	599	599	2	2	39.83	11	-20	20	16	3.85	5.199		
700	700	699	698	2	2	40.90	11	-27	20	16	4.55	4.458		
800	799	798	797	3	3	42.45	11	-37	21	15	5.26	3.931		
900	898	897	896	3	3	44.43	11	-51	21	15	5.99	3.545		
1000	997	997	994	3	3	46.75	11	-68	22	15	6.74	3.255 ES		
1100	1094	1096	1091	4	4	49.34	11	-89	23	15	7.53	3.032		
1200	1191	1196	1187	4	4	52.10	10	-113	24	16	8.37	2.859		
1300	1288	1295	1283	5	5	54.94	10	-140	25	16	9.27	2.721		
1377	1361	1372	1356	5	5	57.14	10	-163	26	16	10.03	2.631		
1400	1383	1395	1378	5	5	57.63	10	-171	27	17	10.27	2.612		



Lonestar Consulting, LLC

Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well # 136H - Slot 1
Project:	Ponderosa Unit	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Reference Site:	C07 2309	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site Error:	0 ft	North Reference:	True
Reference Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Well Error:	0 ft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Offset Design: C07 2309 - # 114H - Original Drilling - APD													Offset Site Error:	0 ft
Survey Program: 0-MWD+HDGM													Offset Well Error:	0 ft
Reference	Offset	Rule Assigned:												
Measured Depth (ft)	Vertical Depth (ft)	Measured Depth (ft)	Vertical Depth (ft)	Reference	Offset	Highside Toolface (°)	Offset Wellbore Centre		Distance		Minimum Separation (ft)	Separation Factor	Warning	
							+N/-S (ft)	+E/-W (ft)	Between Centres (ft)	Between Ellipses (ft)				
1500	1478	1495	1472	6	6	58.95	9	-203	29	18	11.31	2.556		
1600	1572	1595	1567	6	6	60.09	9	-235	31	19	12.39	2.502		
1700	1667	1695	1661	7	7	61.09	8	-268	33	20	13.50	2.453		
1800	1762	1795	1756	8	8	61.97	8	-300	35	21	14.63	2.409		
1900	1857	1895	1851	8	8	62.74	8	-333	37	22	15.77	2.369		
2000	1952	1995	1945	9	9	63.44	7	-365	40	23	16.93	2.333		
2100	2046	2094	2040	9	9	64.06	7	-397	42	24	18.10	2.300		
2200	2141	2194	2134	10	10	64.62	7	-430	44	25	19.28	2.271		
2300	2236	2294	2229	11	11	65.13	6	-462	46	25	20.47	2.244		
2400	2331	2394	2323	11	11	65.59	6	-494	48	26	21.66	2.220		
2500	2426	2494	2418	12	12	66.01	5	-527	50	27	22.86	2.198		
2600	2520	2594	2513	12	12	66.40	5	-559	52	28	24.06	2.177		
2700	2615	2694	2607	13	13	66.76	5	-592	55	29	25.27	2.159		
2800	2710	2794	2702	14	14	67.09	4	-624	57	30	26.48	2.142		
2900	2805	2894	2796	14	14	67.40	4	-656	59	31	27.69	2.126		
3000	2900	2994	2891	15	15	67.68	4	-689	61	32	28.91	2.111		
3100	2994	3094	2986	16	16	67.95	3	-721	63	33	30.13	2.098		
3200	3089	3194	3080	16	16	68.20	3	-753	65	34	31.35	2.085		
3300	3184	3294	3175	17	17	68.43	2	-786	68	35	32.57	2.073		
3400	3279	3394	3269	17	18	68.65	2	-818	70	36	33.79	2.062		
3500	3374	3494	3364	18	18	68.85	2	-851	72	37	35.02	2.052		
3600	3468	3594	3459	19	19	69.04	1	-883	74	38	36.25	2.043		
3700	3563	3694	3553	19	19	69.22	1	-915	76	39	37.48	2.034		
3808	3666	3802	3655	20	20	69.41	1	-950	79	40	38.81	2.024 SF		
3850	3706	3844	3695	20	20	79.13	0	-964	81	41	39.28	2.056		
3900	3754	3894	3742	20	21	93.33	0	-980	87	47	39.73	2.186		
3950	3802	3943	3788	21	21	109.40	0	-996	97	57	40.07	2.412		
4000	3851	3991	3834	21	21	124.71	0	-1011	110	70	40.34	2.732		
4050	3899	4037	3878	21	22	137.08	0	-1027	127	87	40.55	3.143		
4100	3946	4083	3921	21	22	146.15	0	-1041	148	108	40.74	3.641		
4150	3993	4126	3962	21	22	152.61	-1	-1055	173	132	40.92	4.223		
4200	4038	4167	4001	21	22	157.27	-1	-1069	201	159	41.09	4.882		
4250	4081	4206	4038	21	23	160.73	-1	-1081	232	190	41.25	5.614		
4300	4123	4267	4096	21	23	162.80	-3	-1099	264	223	41.52	6.360		
4350	4163	4336	4162	21	23	164.35	-11	-1115	296	254	41.43	7.136		
4400	4201	4413	4237	22	24	165.54	-25	-1126	326	285	40.78	7.989		
4450	4236	4501	4322	22	24	166.47	-50	-1130	354	315	39.36	8.994		
4500	4268	4603	4415	22	24	167.20	-88	-1125	379	342	36.86	10.289		
4550	4298	4719	4515	22	24	167.82	-144	-1104	400	367	33.00	12.132		
4600	4324	4851	4615	22	24	168.37	-219	-1063	416	388	27.69	15.028		
4650	4347	4995	4703	22	24	168.90	-314	-999	425	404	21.45	19.817		
4700	4367	5146	4766	22	25	169.47	-420	-914	427	410	16.28	26.205		
4750	4383	5293	4796	22	26	170.08	-527	-817	420	405	15.53	27.051		
4800	4395	5384	4798	22	26	170.55	-592	-754	408	391	17.21	23.722		
4850	4404	5433	4798	23	27	170.80	-626	-719	399	381	17.75	22.469		
4900	4409	5483	4798	23	28	170.94	-661	-684	393	375	18.32	21.469		
4945	4410	5527	4797	23	28	170.97	-693	-652	392	373	18.86	20.775		
4945	4410	5528	4797	23	28	170.97	-693	-652	392	373	18.86	20.773		
5000	4410	5583	4797	24	29	170.97	-732	-613	392	372	19.55	20.043		
5100	4410	5683	4797	26	31	170.98	-803	-542	392	371	20.86	18.790		
5200	4409	5783	4796	27	32	170.98	-873	-471	392	370	22.22	17.635		
5300	4408	5883	4795	29	34	170.98	-944	-400	392	368	23.64	16.578		



Lonestar Consulting, LLC

Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well # 136H - Slot 1
Project:	Ponderosa Unit	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Reference Site:	C07 2309	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site Error:	0 ft	North Reference:	True
Reference Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Well Error:	0 ft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Offset Design: C07 2309 - # 114H - Original Drilling - APD												Offset Site Error:	0 ft
Survey Program: 0-MWD+HDGM												Offset Well Error:	0 ft
Measured Depth (ft)	Vertical Depth (ft)	Measured Depth (ft)	Vertical Depth (ft)	Reference	Offset	Highside Toolface (°)	+N/-S (ft)	+E/-W (ft)	Between Centres (ft)	Distance Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor	Warning
5400	4408	5983	4795	31	36	170.98	-1014	-330	392	367	25.10	15.614	
5500	4407	6083	4794	33	38	170.98	-1085	-259	392	365	26.60	14.736	
5600	4407	6183	4794	35	41	170.98	-1156	-188	392	364	28.13	13.937	
5700	4406	6283	4793	37	43	170.98	-1226	-117	392	362	29.68	13.209	
5800	4405	6383	4793	40	45	170.98	-1297	-46	392	361	31.26	12.545	
5900	4405	6483	4792	42	47	170.98	-1367	25	392	359	32.85	11.938	
6000	4404	6583	4792	44	50	170.98	-1438	95	392	358	34.45	11.382	
6100	4404	6683	4791	47	52	170.98	-1509	166	392	356	36.08	10.871	
6200	4403	6783	4790	49	54	170.98	-1579	237	392	354	37.71	10.401	
6300	4402	6883	4790	52	57	170.98	-1650	308	392	353	39.35	9.967	
6400	4402	6983	4789	54	59	170.98	-1720	379	392	351	41.01	9.566	
6500	4401	7083	4789	56	62	170.98	-1791	449	392	350	42.67	9.194	
6600	4401	7183	4788	59	64	170.98	-1862	520	392	348	44.33	8.849	
6700	4400	7283	4788	61	67	170.98	-1932	591	392	346	46.01	8.528	
6800	4399	7383	4787	64	69	170.98	-2003	662	392	345	47.69	8.228	
6900	4399	7483	4786	66	71	170.98	-2073	733	392	343	49.37	7.948	
7000	4398	7583	4786	69	74	170.98	-2144	804	392	341	51.06	7.685	
7100	4398	7683	4785	71	76	170.98	-2215	874	392	340	52.75	7.439	
7200	4397	7783	4785	74	79	170.98	-2285	945	392	338	54.45	7.208	
7300	4397	7883	4784	76	81	170.98	-2356	1016	393	336	56.15	6.990	
7400	4396	7983	4784	79	84	170.98	-2426	1087	393	335	57.86	6.785	
7500	4395	8083	4783	81	86	170.98	-2497	1158	393	333	59.56	6.591	
7600	4395	8183	4782	84	89	170.98	-2568	1228	393	331	61.27	6.407	
7700	4394	8283	4782	86	91	170.98	-2638	1299	393	330	62.98	6.234	
7800	4394	8383	4781	89	94	170.98	-2709	1370	393	328	64.70	6.069	
7900	4393	8483	4781	91	96	170.98	-2779	1441	393	326	66.41	5.912	
8000	4392	8583	4780	94	99	170.98	-2850	1512	393	325	68.13	5.764	
8100	4392	8683	4780	96	102	170.98	-2921	1583	393	323	69.85	5.622	
8200	4391	8783	4779	99	104	170.98	-2991	1653	393	321	71.57	5.487	
8300	4391	8883	4779	102	107	170.99	-3062	1724	393	319	73.29	5.359	
8400	4390	8983	4778	104	109	170.99	-3132	1795	393	318	75.02	5.236	
8500	4389	9083	4777	107	112	170.99	-3203	1866	393	316	76.74	5.119	
8600	4389	9183	4777	109	114	170.99	-3274	1937	393	314	78.47	5.007	
8700	4388	9283	4776	112	117	170.99	-3344	2007	393	313	80.20	4.899	
8800	4388	9383	4776	114	119	170.99	-3415	2078	393	311	81.93	4.796	
8900	4387	9483	4775	117	122	170.99	-3485	2149	393	309	83.66	4.697	
9000	4386	9583	4775	119	124	170.99	-3556	2220	393	308	85.39	4.602	
9100	4386	9683	4774	122	127	170.99	-3627	2291	393	306	87.12	4.511	
9200	4385	9783	4773	125	130	170.99	-3697	2362	393	304	88.85	4.423	
9300	4385	9883	4773	127	132	170.99	-3768	2432	393	302	90.58	4.339	
9400	4384	9983	4772	130	135	170.99	-3838	2503	393	301	92.32	4.258	
9500	4384	10,083	4772	132	137	170.99	-3909	2574	393	299	94.05	4.180	
9600	4383	10,183	4771	135	140	170.99	-3980	2645	393	297	95.79	4.104	
9700	4382	10,283	4771	137	142	170.99	-4050	2716	393	296	97.52	4.032	
9800	4382	10,383	4770	140	145	170.99	-4121	2787	393	294	99.26	3.961	
9900	4381	10,483	4770	142	147	170.99	-4191	2857	393	292	100.99	3.893	
10,000	4381	10,583	4769	145	150	170.99	-4262	2928	393	291	102.73	3.828	
10,100	4380	10,683	4768	148	153	170.99	-4333	2999	393	289	104.47	3.764	
10,200	4379	10,783	4768	150	155	170.99	-4403	3070	393	287	106.21	3.703	
10,300	4379	10,883	4767	153	158	170.99	-4474	3141	393	285	107.95	3.644	
10,400	4378	10,983	4767	155	160	170.99	-4544	3211	393	284	109.68	3.586	
10,500	4378	11,083	4766	158	163	170.99	-4615	3282	393	282	111.42	3.530	



Lonestar Consulting, LLC
Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well # 136H - Slot 1
Project:	Ponderosa Unit	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Reference Site:	C07 2309	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site Error:	0 ft	North Reference:	True
Reference Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Well Error:	0 ft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Offset Design: C07 2309 - # 114H - Original Drilling - APD													Offset Site Error:	0 ft
Survey Program: 0-MWD+HDGM													Offset Well Error:	0 ft
Reference	Offset	Semi Major Axis		Distance		Rule Assigned:		Warning						
Measured Depth	Vertical Depth	Measured Depth	Vertical Depth	Reference	Offset	Highside Toolface	Offset Wellbore Centre	Between Centres	Between Ellipses	Minimum Separation	Separation Factor			
(ft)	(ft)	(ft)	(ft)	(ft)	(ft)	(°)	+N/-S (ft)	+E/-W (ft)	(ft)	(ft)	(ft)			
10,600	4377	11,183	4766	160	165	170.99	-4686	3353	393	280	113.16	3.476		
10,700	4376	11,283	4765	163	168	170.99	-4756	3424	393	279	114.90	3.424		
10,800	4376	11,383	4764	166	171	170.99	-4827	3495	393	277	116.64	3.373		
10,801	4376	11,384	4764	166	171	170.99	-4828	3495	393	277	116.66	3.373		
10,900	4375	11,460	4764	168	172	170.99	-4881	3549	394	276	117.66	3.350		
10,941	4375	11,460	4764	169	172	170.99	-4881	3549	399	282	116.25	3.429		



Lonestar Consulting, LLC

Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well # 136H - Slot 1
Project:	Ponderosa Unit	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Reference Site:	C07 2309	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site Error:	0 ft	North Reference:	True
Reference Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Well Error:	0 ft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Offset Design: C07 2309 - # 115H - Original Drilling - APD													Offset Site Error:	0 ft
Survey Program: 0-MWD+HDGM													Offset Well Error:	0 ft
Reference	Offset	Semi Major Axis			Offset Wellbore Centre		Distance			Rule Assigned:		Warning		
Measured Depth (ft)	Vertical Depth (ft)	Measured Depth (ft)	Vertical Depth (ft)	Reference (ft)	Offset (ft)	Highside Toolface (°)	+N/-S (ft)	+E/-W (ft)	Between Centres (ft)	Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor		
0	0	0	0	0	0	-54.70	46	-65	80					
100	100	100	100	0	0	-54.70	46	-65	80	80	0.31	258.883		
200	200	200	200	1	1	-54.70	46	-65	80	79	1.03	77.846		
300	300	300	300	1	1	-54.70	46	-65	80	78	1.74	45.811		
400	400	400	400	1	1	-54.70	46	-65	80	77	2.46	32.455		
450	450	450	450	1	1	-54.70	46	-65	80	77	2.82	28.326 CC		
500	500	499	499	2	2	39.91	46	-65	80	77	3.16	25.245 ES		
600	600	596	596	2	2	41.50	48	-68	81	77	3.85	20.938		
700	700	693	693	2	2	44.59	52	-73	82	78	4.54	18.122		
800	799	790	789	3	3	48.95	58	-81	85	80	5.24	16.277		
900	898	887	885	3	3	54.24	66	-92	90	84	5.95	15.123		
1000	997	986	983	3	3	60.50	75	-104	95	89	6.71	14.232		
1100	1094	1085	1081	4	4	67.79	84	-116	101	93	7.51	13.409		
1200	1191	1183	1178	4	4	76.01	94	-128	106	98	8.35	12.751		
1300	1288	1282	1275	5	5	84.86	103	-140	114	105	9.25	12.330		
1377	1361	1357	1350	5	5	91.87	110	-150	122	112	9.96	12.206		
1400	1383	1379	1372	5	5	93.94	112	-152	124	114	10.17	12.206		
1500	1478	1476	1468	6	5	102.06	121	-164	137	126	11.10	12.374		
1600	1572	1574	1564	6	6	108.68	130	-176	153	141	12.01	12.725		
1700	1667	1671	1660	7	6	114.07	139	-188	170	157	12.91	13.173		
1800	1762	1769	1756	8	7	118.45	148	-200	188	175	13.79	13.665		
1900	1857	1866	1852	8	7	122.05	157	-212	208	193	14.66	14.168		
2000	1952	1963	1949	9	7	125.04	166	-224	228	212	15.52	14.664		
2100	2046	2061	2045	9	8	127.55	175	-236	248	232	16.38	15.143		
2200	2141	2158	2141	10	8	129.67	184	-248	269	252	17.23	15.600		
2300	2236	2255	2237	11	9	131.50	193	-260	290	272	18.09	16.032		
2400	2331	2353	2333	11	9	133.07	202	-272	311	292	18.94	16.440		
2500	2426	2450	2430	12	9	134.44	211	-284	333	313	19.79	16.822		
2600	2520	2547	2526	12	10	135.65	220	-296	355	334	20.64	17.182		
2700	2615	2645	2622	13	10	136.71	229	-308	376	355	21.49	17.519		
2800	2710	2742	2718	14	11	137.66	238	-320	398	376	22.34	17.836		
2900	2805	2839	2814	14	11	138.51	247	-332	421	397	23.19	18.134		
3000	2900	2937	2911	15	11	139.28	256	-344	443	419	24.04	18.414		
3100	2994	3034	3007	16	12	139.97	265	-356	465	440	24.89	18.677		
3200	3089	3131	3103	16	12	140.60	274	-368	487	461	25.74	18.925		
3300	3184	3229	3199	17	13	141.18	283	-380	509	483	26.59	19.159		
3400	3279	3326	3295	17	13	141.70	292	-392	532	504	27.44	19.380		
3500	3374	3424	3392	18	13	142.19	301	-404	554	526	28.29	19.589		
3600	3468	3521	3488	19	14	142.64	310	-416	577	548	29.14	19.787		
3700	3563	3618	3584	19	14	143.05	319	-428	599	569	29.99	19.975		
3808	3666	3724	3688	20	15	143.46	329	-441	623	593	30.92	20.167		
3850	3706	3764	3728	20	15	154.25	333	-446	633	602	31.27	20.236		
3900	3754	3813	3776	20	15	170.00	337	-452	644	612	31.70	20.309		
3950	3802	3861	3824	21	15	-172.28	342	-458	655	622	32.13	20.373		
4000	3851	3909	3871	21	15	-155.46	346	-464	665	633	32.56	20.429		
4050	3899	3955	3917	21	16	-141.87	350	-469	676	643	32.98	20.483		
4100	3946	4001	3963	21	16	-131.78	352	-473	686	653	33.39	20.553		
4150	3993	4048	4010	21	16	-124.51	352	-475	697	663	33.76	20.643		
4200	4038	4097	4058	21	16	-119.26	350	-474	707	673	34.10	20.747		
4250	4081	4146	4107	21	16	-115.44	344	-470	718	684	34.43	20.856		
4300	4123	4197	4157	21	16	-112.61	336	-464	729	694	34.75	20.967		
4350	4163	4250	4208	21	16	-110.51	324	-454	739	704	35.05	21.076		



Lonestar Consulting, LLC

Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well # 136H - Slot 1
Project:	Ponderosa Unit	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Reference Site:	C07 2309	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site Error:	0 ft	North Reference:	True
Reference Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Well Error:	0 ft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Offset Design: C07 2309 - # 115H - Original Drilling - APD												Offset Site Error:	0 ft
Survey Program: 0-MWD+HDGM												Offset Well Error:	0 ft
Measured Depth (ft)	Vertical Depth (ft)	Measured Depth (ft)	Vertical Depth (ft)	Reference	Offset	Highside Toolface (°)	+N/-S (ft)	+E/-W (ft)	Between Centres (ft)	Distance Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor	Warning
4400	4201	4304	4258	22	17	-108.94	309	-441	749	713	35.35	21.178	
4450	4236	4361	4309	22	17	-107.78	290	-425	758	723	35.65	21.266	
4500	4268	4419	4358	22	17	-106.93	268	-405	767	731	35.97	21.332	
4550	4298	4479	4406	22	17	-106.34	241	-380	776	739	36.31	21.364	
4600	4324	4542	4452	22	17	-105.95	210	-352	783	747	36.70	21.347	
4650	4347	4606	4495	22	17	-105.72	174	-319	790	753	37.17	21.262	
4700	4367	4673	4534	22	18	-105.62	135	-283	796	759	37.76	21.087	
4750	4383	4741	4569	22	18	-105.63	92	-242	801	763	38.50	20.811	
4800	4395	4812	4597	22	19	-105.71	45	-198	805	766	39.44	20.417	
4850	4404	4884	4618	23	19	-105.86	-5	-150	808	767	40.58	19.906	
4900	4409	4957	4632	23	20	-106.05	-57	-101	809	767	41.93	19.297	
4945	4410	5023	4637	23	21	-106.25	-104	-55	809	766	43.33	18.677	
5000	4410	5085	4637	24	22	-106.29	-149	-12	808	763	45.00	17.961	
5100	4410	5185	4636	26	24	-106.32	-221	57	806	758	48.18	16.739	
5200	4409	5285	4635	27	25	-106.36	-293	127	805	753	51.63	15.585	
5300	4408	5385	4635	29	27	-106.39	-365	196	803	748	55.31	14.515	
5400	4408	5485	4634	31	29	-106.42	-436	266	801	742	59.18	13.536	
5500	4407	5585	4633	33	31	-106.46	-508	335	799	736	63.19	12.647	
5600	4407	5685	4633	35	34	-106.49	-580	405	797	730	67.34	11.843	
5700	4406	5785	4632	37	36	-106.53	-652	474	796	724	71.58	11.115	
5800	4405	5885	4632	40	38	-106.56	-724	544	794	718	75.90	10.458	
5900	4405	5985	4631	42	40	-106.60	-796	613	792	712	80.30	9.863	
6000	4404	6085	4630	44	43	-106.63	-868	683	790	705	84.76	9.323	
6100	4404	6185	4630	47	45	-106.67	-940	752	788	699	89.26	8.832	
6200	4403	6285	4629	49	47	-106.70	-1012	822	787	693	93.81	8.385	
6300	4402	6385	4628	52	50	-106.74	-1084	891	785	686	98.40	7.976	
6400	4402	6485	4628	54	52	-106.77	-1155	961	783	680	103.01	7.601	
6500	4401	6585	4627	56	55	-106.81	-1227	1030	781	673	107.65	7.256	
6600	4401	6685	4626	59	57	-106.84	-1299	1100	779	667	112.32	6.939	
6700	4400	6785	4626	61	59	-106.88	-1371	1169	778	661	117.01	6.645	
6800	4399	6885	4625	64	62	-106.91	-1443	1239	776	654	121.71	6.374	
6900	4399	6984	4624	66	64	-106.95	-1515	1308	774	647	126.43	6.121	
7000	4398	7084	4624	69	67	-106.99	-1587	1378	772	641	131.16	5.887	
7100	4398	7184	4623	71	69	-107.02	-1659	1447	770	634	135.91	5.668	
7200	4397	7284	4622	74	72	-107.06	-1731	1516	768	628	140.66	5.463	
7300	4397	7384	4622	76	74	-107.10	-1803	1586	767	621	145.43	5.272	
7400	4396	7484	4621	79	77	-107.13	-1874	1655	765	615	150.20	5.092	
7500	4395	7584	4621	81	79	-107.17	-1946	1725	763	608	154.98	4.924	
7600	4395	7684	4620	84	82	-107.21	-2018	1794	761	602	159.77	4.765	
7700	4394	7784	4619	86	84	-107.25	-2090	1864	759	595	164.56	4.615	
7800	4394	7884	4619	89	87	-107.28	-2162	1933	758	588	169.36	4.474	
7900	4393	7984	4618	91	89	-107.32	-2234	2003	756	582	174.16	4.340	
8000	4392	8084	4617	94	92	-107.36	-2306	2072	754	575	178.96	4.214	
8100	4392	8184	4617	96	94	-107.40	-2378	2142	752	568	183.77	4.093	
8200	4391	8284	4616	99	97	-107.44	-2450	2211	750	562	188.58	3.979	
8300	4391	8384	4615	102	99	-107.48	-2522	2281	749	555	193.40	3.871	
8400	4390	8484	4615	104	102	-107.51	-2593	2350	747	549	198.21	3.768	
8500	4389	8584	4614	107	104	-107.55	-2665	2420	745	542	203.03	3.670	
8600	4389	8684	4613	109	107	-107.59	-2737	2489	743	535	207.85	3.576	
8700	4388	8784	4613	112	110	-107.63	-2809	2559	741	529	212.67	3.486	
8800	4388	8884	4612	114	112	-107.67	-2881	2628	740	522	217.49	3.401	
8900	4387	8984	4611	117	115	-107.71	-2953	2698	738	516	222.32	3.319	



Lonestar Consulting, LLC

Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well # 136H - Slot 1
Project:	Ponderosa Unit	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Reference Site:	C07 2309	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site Error:	0 ft	North Reference:	True
Reference Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Well Error:	0 ft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Offset Design: C07 2309 - # 115H - Original Drilling - APD												Offset Site Error:	0 ft
Survey Program: 0-MWD+HDGM												Offset Well Error:	0 ft
Reference		Offset		Semi Major Axis		Highside Toolface (°)	Offset Wellbore Centre		Distance		Separation Factor	Warning	
Measured Depth (ft)	Vertical Depth (ft)	Measured Depth (ft)	Vertical Depth (ft)	Reference (ft)	Offset (ft)		+N/-S (ft)	+E/-W (ft)	Between Centres (ft)	Between Ellipses (ft)			
9000	4386	9084	4611	119	117	-107.75	-3025	2767	736	509	227.14	3.241	
9100	4386	9184	4610	122	120	-107.79	-3097	2836	734	502	231.96	3.165	
9200	4385	9284	4609	125	122	-107.83	-3169	2906	732	496	236.78	3.093	
9300	4385	9384	4609	127	125	-107.87	-3241	2975	731	489	241.61	3.024	
9400	4384	9484	4608	130	127	-107.91	-3312	3045	729	482	246.43	2.958	
9500	4384	9584	4608	132	130	-107.95	-3384	3114	727	476	251.25	2.894	
9600	4383	9684	4607	135	132	-108.00	-3456	3184	725	469	256.08	2.832	
9700	4382	9784	4606	137	135	-108.04	-3528	3253	723	463	260.90	2.773	
9800	4382	9884	4606	140	137	-108.08	-3600	3323	722	456	265.72	2.716	
9900	4381	9984	4605	142	140	-108.12	-3672	3392	720	449	270.54	2.661	
10,000	4381	10,084	4604	145	143	-108.16	-3744	3462	718	443	275.36	2.608	
10,100	4380	10,184	4604	148	145	-108.21	-3816	3531	716	436	280.18	2.557	
10,200	4379	10,284	4603	150	148	-108.25	-3888	3601	714	429	284.99	2.507	
10,300	4379	10,384	4602	153	150	-108.29	-3959	3670	713	423	289.81	2.459	
10,400	4378	10,484	4602	155	153	-108.33	-4031	3740	711	416	294.62	2.413	
10,500	4378	10,584	4601	158	155	-108.38	-4103	3809	709	410	299.43	2.368	
10,600	4377	10,684	4600	160	158	-108.42	-4175	3879	707	403	304.25	2.325	
10,700	4376	10,784	4600	163	160	-108.46	-4247	3948	706	396	309.05	2.283	
10,800	4376	10,884	4599	166	163	-108.51	-4319	4018	704	390	313.86	2.242	
10,900	4375	10,984	4598	168	165	-108.55	-4391	4087	702	383	318.67	2.203	
10,941	4375	11,025	4598	169	167	-108.57	-4421	4116	701	381	320.65	2.187 SF	



Lonestar Consulting, LLC

Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well # 136H - Slot 1
Project:	Ponderosa Unit	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Reference Site:	C07 2309	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site Error:	0 ft	North Reference:	True
Reference Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Well Error:	0 ft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Offset Design: C07 2309 - # 116H - Original Drilling - APD													Offset Site Error:	0 ft
Survey Program: 0-MWD+HDGM													Offset Well Error:	0 ft
Reference	Offset	Semi Major Axis		Distance		Rule Assigned:		Warning						
Measured Depth (ft)	Vertical Depth (ft)	Measured Depth (ft)	Vertical Depth (ft)	Reference (ft)	Offset (ft)	Highside Toolface (°)	+N/-S (ft)	+E/-W (ft)	Between Centres (ft)	Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor		
0	0	0	0	0	0	-54.81	34	-49	60					
100	100	100	100	0	0	-54.81	34	-49	60	60	0.31	194.038		
200	200	200	200	1	1	-54.81	34	-49	60	59	1.03	58.347		
300	300	300	300	1	1	-54.81	34	-49	60	58	1.74	34.336		
400	400	400	400	1	1	-54.81	34	-49	60	57	2.46	24.326		
450	450	450	450	1	1	-54.81	34	-49	60	57	2.82	21.231		
500	500	499	499	2	2	40.17	35	-49	60	57	3.17	18.857		
600	600	598	598	2	2	44.83	38	-49	59	56	3.87	15.390		
611	611	608	608	2	2	45.61	39	-49	59	56	3.94	15.092 CC, ES		
700	700	696	696	2	2	54.02	45	-50	60	56	4.57	13.173		
800	799	793	792	3	3	66.70	55	-50	64	59	5.27	12.132		
900	898	891	889	3	3	80.52	67	-51	72	66	6.00	12.001		
1000	997	989	986	3	3	93.33	79	-52	84	77	6.75	12.396		
1100	1094	1086	1083	4	4	104.46	91	-53	99	92	7.51	13.231		
1200	1191	1182	1178	4	4	113.73	103	-54	119	111	8.29	14.402		
1300	1288	1277	1273	5	4	121.28	115	-54	144	134	9.07	15.817		
1377	1361	1350	1345	5	5	126.12	124	-55	165	155	9.68	17.029		
1400	1383	1372	1366	5	5	127.49	126	-55	172	162	9.86	17.396		
1500	1478	1466	1460	6	5	132.44	138	-56	202	191	10.64	18.966		
1600	1572	1560	1553	6	6	136.11	149	-57	233	222	11.41	20.415		
1700	1667	1654	1646	7	6	138.91	161	-58	265	253	12.19	21.735		
1800	1762	1748	1740	8	6	141.12	172	-58	297	284	12.97	22.930		
1900	1857	1842	1833	8	7	142.89	184	-59	330	316	13.74	24.012		
2000	1952	1936	1926	9	7	144.35	196	-60	363	348	14.52	24.992		
2100	2046	2030	2020	9	7	145.56	207	-61	396	381	15.30	25.882		
2200	2141	2124	2113	10	8	146.59	219	-62	429	413	16.08	26.692		
2300	2236	2218	2206	11	8	147.47	230	-62	463	446	16.87	27.431		
2400	2331	2312	2300	11	8	148.23	242	-63	496	478	17.65	28.108		
2500	2426	2406	2393	12	9	148.90	254	-64	530	511	18.43	28.730		
2600	2520	2500	2486	12	9	149.49	265	-65	563	544	19.22	29.303		
2700	2615	2594	2580	13	10	150.01	277	-66	597	577	20.01	29.832		
2800	2710	2688	2673	14	10	150.48	288	-66	630	610	20.79	30.322		
2900	2805	2782	2766	14	10	150.90	300	-67	664	643	21.58	30.777		
3000	2900	2876	2860	15	11	151.27	311	-68	698	675	22.37	31.200		
3100	2994	2971	2953	16	11	151.62	323	-69	732	708	23.16	31.595		
3200	3089	3065	3046	16	11	151.93	335	-70	765	741	23.94	31.964		
3300	3184	3159	3140	17	12	152.22	346	-70	799	774	24.73	32.310		
3400	3279	3253	3233	17	12	152.48	358	-71	833	807	25.52	32.634		
3500	3374	3347	3326	18	13	152.72	369	-72	867	840	26.31	32.939		
3600	3468	3441	3420	19	13	152.95	381	-73	901	873	27.10	33.227		
3700	3563	3535	3513	19	13	153.16	393	-73	934	906	27.89	33.498		
3808	3666	3637	3614	20	14	153.37	405	-74	971	942	28.75	33.774		
3850	3706	3676	3653	20	14	164.55	410	-75	985	956	29.08	33.871		
3900	3754	3723	3700	20	14	-179.17	416	-75	1001	971	29.46	33.969		
3950	3802	3770	3747	21	14	-160.90	422	-75	1015	986	29.83	34.046		
4000	3851	3817	3793	21	14	-143.48	427	-76	1029	999	30.19	34.101		
4050	3899	3863	3839	21	15	-129.31	433	-76	1042	1012	30.54	34.134		
4100	3946	3908	3884	21	15	-118.81	439	-77	1054	1024	30.88	34.145		
4150	3993	3952	3927	21	15	-111.32	444	-77	1066	1035	31.22	34.135		
4200	4038	3994	3969	21	15	-105.99	449	-77	1077	1045	31.57	34.106		
4250	4081	4035	4009	21	15	-102.18	454	-78	1087	1055	31.91	34.059		
4300	4123	4073	4047	21	15	-99.43	459	-78	1097	1065	32.26	33.995		



Lonestar Consulting, LLC

Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well # 136H - Slot 1
Project:	Ponderosa Unit	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Reference Site:	C07 2309	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site Error:	0 ft	North Reference:	True
Reference Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Well Error:	0 ft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Offset Design: C07 2309 - # 116H - Original Drilling - APD											Offset Site Error:	0 ft
Survey Program: 0-MWD+HDGM											Offset Well Error:	0 ft
Reference	Offset	Semi Major Axis		Distance		Rule Assigned:		Warning				
Measured Depth (ft)	Vertical Depth (ft)	Measured Depth (ft)	Vertical Depth (ft)	Reference (ft)	Offset (ft)	Highside Toolface (°)	+N/-S (ft)	+E/-W (ft)	Between Centres (ft)	Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor
4350	4163	4109	4083	21	16	-97.41	463	-78	1107	1074	32.63	33.916
4400	4201	4143	4117	22	16	-95.89	467	-79	1116	1083	33.01	33.823
4450	4236	4173	4146	22	16	-94.64	471	-79	1127	1093	33.40	33.732
4500	4268	4202	4176	22	16	-93.68	473	-77	1137	1103	33.83	33.610
4550	4298	4233	4206	22	16	-92.97	475	-75	1148	1113	34.30	33.456
4600	4324	4264	4237	22	16	-92.47	475	-72	1159	1124	34.84	33.264
4650	4347	4297	4270	22	16	-92.16	474	-68	1170	1135	35.42	33.037
4700	4367	4332	4304	22	16	-92.03	472	-62	1182	1146	36.06	32.781
4750	4383	4368	4339	22	16	-92.07	468	-54	1194	1157	36.74	32.500
4800	4395	4408	4377	22	16	-92.32	463	-44	1207	1169	37.47	32.204
4850	4404	4451	4418	23	17	-92.79	455	-31	1219	1181	38.22	31.902
4900	4409	4501	4463	23	17	-93.55	443	-14	1232	1193	38.99	31.605
4945	4410	4553	4508	23	17	-94.57	428	6	1244	1204	39.68	31.347
5000	4410	4637	4577	24	17	-97.81	398	45	1258	1218	40.55	31.033
5100	4410	4883	4734	26	18	-104.89	275	186	1281	1239	42.58	30.092
5200	4409	5244	4815	27	22	-108.37	35	436	1288	1240	47.61	27.045
5300	4408	5344	4814	29	24	-108.37	-36	507	1288	1237	51.02	25.238
5400	4408	5444	4813	31	26	-108.37	-107	578	1288	1233	54.66	23.555
5500	4407	5544	4813	33	28	-108.37	-177	648	1287	1229	58.50	22.008
5600	4407	5644	4812	35	30	-108.36	-248	719	1287	1225	62.49	20.600
5700	4406	5744	4812	37	32	-108.36	-319	790	1287	1221	66.61	19.324
5800	4405	5844	4811	40	34	-108.36	-389	861	1287	1216	70.84	18.169
5900	4405	5944	4810	42	36	-108.36	-460	931	1287	1212	75.16	17.124
6000	4404	6044	4810	44	38	-108.36	-531	1002	1287	1207	79.55	16.178
6100	4404	6144	4809	47	41	-108.36	-601	1073	1287	1203	84.00	15.319
6200	4403	6244	4808	49	43	-108.36	-672	1144	1287	1198	88.50	14.539
6300	4402	6344	4808	52	45	-108.35	-743	1214	1287	1194	93.05	13.827
6400	4402	6444	4807	54	48	-108.35	-813	1285	1286	1189	97.63	13.177
6500	4401	6544	4806	56	50	-108.35	-884	1356	1286	1184	102.25	12.581
6600	4401	6644	4806	59	53	-108.35	-955	1427	1286	1179	106.90	12.033
6700	4400	6744	4805	61	55	-108.35	-1025	1497	1286	1175	111.57	11.528
6800	4399	6844	4804	64	58	-108.35	-1096	1568	1286	1170	116.26	11.062
6900	4399	6944	4804	66	60	-108.34	-1167	1639	1286	1165	120.97	10.630
7000	4398	7044	4803	69	63	-108.34	-1237	1710	1286	1160	125.70	10.229
7100	4398	7144	4802	71	65	-108.34	-1308	1781	1286	1155	130.45	9.856
7200	4397	7244	4802	74	67	-108.34	-1378	1851	1286	1150	135.21	9.509
7300	4397	7344	4801	76	70	-108.34	-1449	1922	1286	1146	139.98	9.184
7400	4396	7444	4800	79	72	-108.34	-1520	1993	1285	1141	144.76	8.880
7500	4395	7544	4800	81	75	-108.33	-1590	2064	1285	1136	149.55	8.595
7600	4395	7644	4799	84	78	-108.33	-1661	2134	1285	1131	154.36	8.327
7700	4394	7744	4798	86	80	-108.33	-1732	2205	1285	1126	159.17	8.074
7800	4394	7844	4798	89	83	-108.33	-1802	2276	1285	1121	163.98	7.837
7900	4393	7944	4797	91	85	-108.33	-1873	2347	1285	1116	168.81	7.612
8000	4392	8044	4796	94	88	-108.33	-1944	2417	1285	1111	173.64	7.400
8100	4392	8144	4796	96	90	-108.33	-2014	2488	1285	1106	178.47	7.198
8200	4391	8244	4795	99	93	-108.32	-2085	2559	1285	1101	183.32	7.008
8300	4391	8344	4794	102	95	-108.32	-2156	2630	1285	1096	188.16	6.827
8400	4390	8444	4794	104	98	-108.32	-2226	2700	1284	1091	193.01	6.655
8500	4389	8544	4793	107	100	-108.32	-2297	2771	1284	1086	197.87	6.491
8600	4389	8644	4792	109	103	-108.32	-2368	2842	1284	1082	202.73	6.335
8700	4388	8744	4792	112	105	-108.32	-2438	2913	1284	1077	207.59	6.186
8800	4388	8844	4791	114	108	-108.31	-2509	2983	1284	1072	212.46	6.044



Lonestar Consulting, LLC
Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well # 136H - Slot 1
Project:	Ponderosa Unit	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Reference Site:	C07 2309	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site Error:	0 ft	North Reference:	True
Reference Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Well Error:	0 ft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Offset Design: C07 2309 - # 116H - Original Drilling - APD													Offset Site Error:	0 ft	
Survey Program:		0-MWD+HDGM						Rule Assigned:						Offset Well Error:	0 ft
Reference		Offset		Semi Major Axis			Offset Wellbore Centre		Distance				Warning		
Measured Depth (ft)	Vertical Depth (ft)	Measured Depth (ft)	Vertical Depth (ft)	Reference (ft)	Offset (ft)	Highside Toolface (°)	+N/-S (ft)	+E/-W (ft)	Between Centres (ft)	Between Ellipses (ft)	Minimum Separation (ft)	Separation Factor			
8900	4387	8944	4790	117	111	-108.31	-2580	3054	1284	1067	217.33	5.908			
9000	4386	9044	4790	119	113	-108.31	-2650	3125	1284	1062	222.20	5.778			
9100	4386	9144	4789	122	116	-108.31	-2721	3196	1284	1057	227.08	5.653			
9200	4385	9244	4788	125	118	-108.31	-2792	3266	1284	1052	231.96	5.534			
9300	4385	9344	4788	127	121	-108.31	-2862	3337	1284	1047	236.84	5.419			
9400	4384	9444	4787	130	123	-108.30	-2933	3408	1283	1042	241.72	5.310			
9500	4384	9544	4787	132	126	-108.30	-3004	3479	1283	1037	246.61	5.204			
9600	4383	9644	4786	135	128	-108.30	-3074	3550	1283	1032	251.49	5.102			
9700	4382	9744	4785	137	131	-108.30	-3145	3620	1283	1027	256.38	5.005			
9800	4382	9844	4785	140	134	-108.30	-3216	3691	1283	1022	261.27	4.911			
9900	4381	9944	4784	142	136	-108.30	-3286	3762	1283	1017	266.17	4.820			
10,000	4381	10,044	4783	145	139	-108.29	-3357	3833	1283	1012	271.06	4.732			
10,100	4380	10,144	4783	148	141	-108.29	-3428	3903	1283	1007	275.96	4.648			
10,200	4379	10,244	4782	150	144	-108.29	-3498	3974	1283	1002	280.86	4.567			
10,300	4379	10,344	4781	153	146	-108.29	-3569	4045	1282	997	285.76	4.488			
10,400	4378	10,444	4781	155	149	-108.29	-3640	4116	1282	992	290.66	4.412			
10,500	4378	10,544	4780	158	152	-108.29	-3710	4186	1282	987	295.56	4.339			
10,600	4377	10,644	4779	160	154	-108.29	-3781	4257	1282	982	300.46	4.267			
10,700	4376	10,744	4779	163	157	-108.28	-3852	4328	1282	977	305.37	4.199			
10,800	4376	10,844	4778	166	159	-108.28	-3922	4399	1282	972	310.27	4.132			
10,900	4375	10,944	4777	168	162	-108.28	-3993	4469	1282	967	315.18	4.067			
10,941	4375	10,985	4777	169	163	-108.28	-4022	4499	1282	965	317.20	4.041 SF			



Lonestar Consulting, LLC

Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well # 136H - Slot 1
Project:	Ponderosa Unit	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Reference Site:	C07 2309	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site Error:	0 ft	North Reference:	True
Reference Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Well Error:	0 ft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Offset Design: C07 2309 - # 120H - Original Drilling - APD													Offset Site Error:	0 ft
Survey Program: 0-MWD+HDGM													Offset Well Error:	0 ft
Reference	Offset	Rule Assigned:												
Measured Depth (ft)	Vertical Depth (ft)	Measured Depth (ft)	Vertical Depth (ft)	Reference	Offset	Highside Toolface (°)	Offset Wellbore Centre		Distance		Minimum Separation (ft)	Separation Factor	Warning	
							+N/-S (ft)	+E/-W (ft)	Between Centres (ft)	Between Ellipses (ft)				
0	0	0	0	0	0	-54.82	23	-33	40					
100	100	100	100	0	0	-54.82	23	-33	40	40	0.31	129.535		
200	200	200	200	1	1	-54.82	23	-33	40	39	1.03	38.951		
300	300	300	300	1	1	-54.82	23	-33	40	38	1.74	22.922		
400	400	400	400	1	1	-54.82	23	-33	40	37	2.46	16.239		
450	450	450	450	1	1	-54.82	23	-33	40	37	2.82	14.173		
500	500	500	500	2	2	40.50	23	-33	40	37	3.17	12.568		
600	600	599	599	2	2	47.91	27	-32	39	36	3.87	10.197		
605	605	604	604	2	2	48.50	27	-32	39	36	3.91	10.100 CC, ES		
700	700	697	697	2	2	62.40	34	-32	41	36	4.57	8.895		
800	799	795	794	3	3	80.56	44	-32	47	42	5.28	8.873		
900	898	891	889	3	3	96.64	57	-31	60	54	5.99	10.063		
1000	997	988	985	3	3	108.59	71	-31	79	73	6.74	11.771		
1100	1094	1084	1080	4	4	117.35	86	-30	102	95	7.49	13.617		
1200	1191	1180	1175	4	4	124.00	100	-30	128	120	8.25	15.533		
1300	1288	1274	1268	5	5	129.19	114	-29	158	149	9.02	17.476		
1377	1361	1347	1340	5	5	132.48	125	-29	183	173	9.63	18.985		
1400	1383	1368	1361	5	5	133.46	128	-29	190	181	9.80	19.423		
1500	1478	1461	1453	6	5	136.95	142	-28	225	214	10.58	21.241		
1600	1572	1554	1545	6	6	139.52	156	-27	260	248	11.35	22.855		
1700	1667	1647	1637	7	6	141.49	170	-27	295	283	12.13	24.286		
1800	1762	1741	1729	8	6	143.04	184	-26	330	317	12.91	25.558		
1900	1857	1834	1821	8	7	144.29	198	-26	366	352	13.70	26.693		
2000	1952	1927	1914	9	7	145.32	212	-25	401	387	14.48	27.710		
2100	2046	2020	2006	9	7	146.18	226	-25	437	422	15.27	28.624		
2200	2141	2113	2098	10	8	146.91	240	-24	473	457	16.06	29.451		
2300	2236	2207	2190	11	8	147.54	254	-24	509	492	16.85	30.201		
2400	2331	2300	2282	11	9	148.08	268	-23	545	527	17.64	30.884		
2500	2426	2393	2374	12	9	148.56	282	-23	581	562	18.44	31.508		
2600	2520	2486	2466	12	9	148.98	296	-22	617	598	19.23	32.081		
2700	2615	2579	2558	13	10	149.36	310	-22	653	633	20.03	32.608		
2800	2710	2672	2651	14	10	149.70	324	-21	689	668	20.82	33.095		
2900	2805	2766	2743	14	11	150.00	338	-20	725	704	21.62	33.545		
3000	2900	2859	2835	15	11	150.28	352	-20	761	739	22.42	33.964		
3100	2994	2952	2927	16	11	150.52	365	-19	797	774	23.21	34.353		
3200	3089	3045	3019	16	12	150.75	379	-19	834	810	24.01	34.716		
3300	3184	3138	3111	17	12	150.96	393	-18	870	845	24.81	35.055		
3400	3279	3232	3203	17	12	151.15	407	-18	906	880	25.61	35.373		
3500	3374	3325	3296	18	13	151.33	421	-17	942	916	26.41	35.671		
3600	3468	3418	3388	19	13	151.50	435	-17	978	951	27.21	35.951		
3700	3563	3511	3480	19	14	151.65	449	-16	1015	987	28.01	36.215		
3808	3666	3612	3580	20	14	151.80	464	-16	1054	1025	28.88	36.484		
3850	3706	3651	3618	20	14	163.09	470	-15	1069	1039	29.21	36.582		
3900	3754	3698	3664	20	14	179.50	477	-15	1086	1056	29.59	36.688		
3950	3802	3745	3711	21	15	-162.06	484	-15	1102	1072	29.96	36.780		
4000	3851	3783	3749	21	15	-144.33	490	-14	1117	1087	30.25	36.942		
4050	3899	3816	3781	21	15	-129.62	493	-13	1132	1102	30.47	37.169		
4100	3946	3850	3815	21	15	-118.45	496	-10	1147	1116	30.68	37.387		
4150	3993	3882	3847	21	15	-110.15	497	-6	1161	1131	30.87	37.618		
4200	4038	3916	3881	21	15	-103.96	497	-1	1175	1144	31.07	37.823		
4250	4081	3950	3914	21	15	-99.26	496	6	1188	1157	31.27	38.000		
4300	4123	3985	3948	21	15	-95.65	493	14	1201	1169	31.49	38.139		



Lonestar Consulting, LLC

Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well # 136H - Slot 1
Project:	Ponderosa Unit	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Reference Site:	C07 2309	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site Error:	0 ft	North Reference:	True
Reference Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Well Error:	0 ft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Offset Design: C07 2309 - # 120H - Original Drilling - APD													Offset Site Error:	0 ft
Survey Program:		0-MWD+HDGM						Rule Assigned:					Offset Well Error:	0 ft
Measured Depth	Vertical Depth	Measured Depth	Vertical Depth	Reference	Offset	Highside Toolface	Offset Wellbore Centre		Distance		Minimum Separation	Separation Factor	Warning	
Depth (ft)	Depth (ft)	Depth (ft)	Depth (ft)	(ft)	(ft)	(°)	+N/-S (ft)	+E/-W (ft)	Between Centres (ft)	Between Ellipses (ft)	(ft)			
4350	4163	4020	3981	21	15	-92.83	489	23	1213	1181	31.72	38.230		
4400	4201	4055	4015	22	15	-90.61	484	34	1224	1192	31.99	38.262		
4450	4236	4092	4048	22	16	-88.89	477	46	1235	1202	32.30	38.223		
4500	4268	4129	4081	22	16	-87.56	468	60	1245	1212	32.66	38.104		
4550	4298	4167	4115	22	16	-86.57	458	75	1254	1221	33.08	37.894		
4600	4324	4206	4148	22	16	-85.88	446	93	1262	1228	33.57	37.589		
4650	4347	4246	4180	22	16	-85.44	432	112	1269	1235	34.14	37.183		
4700	4367	4288	4212	22	16	-85.25	416	133	1276	1241	34.80	36.672		
4750	4383	4331	4243	22	16	-85.28	397	156	1282	1246	35.55	36.056		
4800	4395	4376	4273	22	16	-85.53	377	182	1287	1251	36.38	35.371		
4850	4404	4422	4302	23	16	-85.98	353	210	1291	1254	37.35	34.561		
4900	4409	4471	4329	23	16	-86.64	327	241	1294	1256	38.42	33.680		
4945	4410	4516	4352	23	17	-87.41	301	270	1296	1257	39.48	32.829		
5000	4410	4576	4378	24	17	-88.56	265	311	1298	1257	40.92	31.720		
5100	4410	4698	4414	26	19	-90.17	186	395	1301	1257	44.01	29.570		
5200	4409	4830	4427	27	21	-90.79	95	490	1303	1255	47.68	27.319		
5300	4408	4931	4426	29	22	-90.79	24	561	1303	1251	51.31	25.390		
5400	4408	5031	4426	31	24	-90.79	-47	632	1303	1248	55.16	23.615		
5500	4407	5131	4425	33	26	-90.79	-117	703	1303	1243	59.23	21.995		
5600	4407	5231	4424	35	28	-90.78	-188	774	1303	1239	63.46	20.530		
5700	4406	5331	4424	37	30	-90.78	-259	844	1303	1235	67.82	19.209		
5800	4405	5431	4423	40	33	-90.78	-329	915	1303	1230	72.29	18.021		
5900	4405	5531	4422	42	35	-90.78	-400	986	1303	1226	76.86	16.951		
6000	4404	5631	4422	44	37	-90.77	-470	1057	1303	1221	81.49	15.987		
6100	4404	5731	4421	47	40	-90.77	-541	1128	1303	1217	86.19	15.115		
6200	4403	5831	4421	49	42	-90.77	-611	1199	1303	1212	90.94	14.326		
6300	4402	5931	4420	52	44	-90.77	-682	1269	1303	1207	95.74	13.608		
6400	4402	6031	4419	54	47	-90.76	-753	1340	1303	1202	100.57	12.954		
6500	4401	6131	4419	56	49	-90.76	-823	1411	1303	1197	105.44	12.357		
6600	4401	6231	4418	59	52	-90.76	-894	1482	1303	1193	110.33	11.809		
6700	4400	6331	4417	61	54	-90.75	-964	1553	1303	1188	115.25	11.305		
6800	4399	6431	4417	64	56	-90.75	-1035	1623	1303	1183	120.19	10.840		
6900	4399	6531	4416	66	59	-90.75	-1106	1694	1303	1178	125.15	10.411		
7000	4398	6631	4415	69	61	-90.75	-1176	1765	1303	1173	130.13	10.013		
7100	4398	6731	4415	71	64	-90.74	-1247	1836	1303	1168	135.12	9.643		
7200	4397	6831	4414	74	66	-90.74	-1317	1907	1303	1163	140.13	9.298		
7300	4397	6931	4413	76	69	-90.74	-1388	1978	1303	1158	145.15	8.977		
7400	4396	7031	4413	79	71	-90.74	-1459	2048	1303	1153	150.17	8.677		
7500	4395	7131	4412	81	74	-90.73	-1529	2119	1303	1148	155.21	8.395		
7600	4395	7231	4411	84	77	-90.73	-1600	2190	1303	1143	160.26	8.131		
7700	4394	7331	4411	86	79	-90.73	-1670	2261	1303	1138	165.31	7.882		
7800	4394	7431	4410	89	82	-90.72	-1741	2332	1303	1133	170.37	7.648		
7900	4393	7531	4409	91	84	-90.72	-1811	2403	1303	1128	175.44	7.427		
8000	4392	7631	4409	94	87	-90.72	-1882	2473	1303	1123	180.52	7.219		
8100	4392	7731	4408	96	89	-90.72	-1953	2544	1303	1118	185.60	7.021		
8200	4391	7831	4407	99	92	-90.71	-2023	2615	1303	1112	190.68	6.834		
8300	4391	7931	4407	102	94	-90.71	-2094	2686	1303	1107	195.77	6.656		
8400	4390	8031	4406	104	97	-90.71	-2164	2757	1303	1102	200.87	6.488		
8500	4389	8131	4406	107	99	-90.71	-2235	2828	1303	1097	205.97	6.327		
8600	4389	8231	4405	109	102	-90.70	-2306	2898	1303	1092	211.07	6.174		
8700	4388	8331	4404	112	104	-90.70	-2376	2969	1303	1087	216.17	6.029		
8800	4388	8431	4404	114	107	-90.70	-2447	3040	1303	1082	221.28	5.889		



Lonestar Consulting, LLC

Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well # 136H - Slot 1
Project:	Ponderosa Unit	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
Reference Site:	C07 2309	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site Error:	0 ft	North Reference:	True
Reference Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Well Error:	0 ft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Offset Design: C07 2309 - # 120H - Original Drilling - APD												Offset Site Error:	0 ft
Survey Program: 0-MWD+HDGM												Offset Well Error:	0 ft
Reference		Offset		Semi Major Axis		Highside Toolface (°)	Offset Wellbore Centre		Distance		Separation Factor	Warning	
Measured Depth (ft)	Vertical Depth (ft)	Measured Depth (ft)	Vertical Depth (ft)	Reference (ft)	Offset (ft)		+N/-S (ft)	+E/-W (ft)	Between Centres (ft)	Between Ellipses (ft)			
8900	4387	8531	4403	117	110	-90.70	-2517	3111	1303	1077	226.39	5.757	
9000	4386	8631	4402	119	112	-90.69	-2588	3182	1303	1072	231.51	5.629	
9100	4386	8731	4402	122	115	-90.69	-2658	3253	1303	1067	236.63	5.508	
9200	4385	8831	4401	125	117	-90.69	-2729	3323	1303	1062	241.75	5.391	
9300	4385	8931	4400	127	120	-90.68	-2800	3394	1303	1056	246.87	5.279	
9400	4384	9031	4400	130	122	-90.68	-2870	3465	1303	1051	251.99	5.172	
9500	4384	9131	4399	132	125	-90.68	-2941	3536	1303	1046	257.12	5.069	
9600	4383	9231	4398	135	128	-90.68	-3011	3607	1303	1041	262.25	4.970	
9700	4382	9331	4398	137	130	-90.67	-3082	3678	1303	1036	267.38	4.875	
9800	4382	9431	4397	140	133	-90.67	-3153	3748	1303	1031	272.51	4.783	
9900	4381	9531	4396	142	135	-90.67	-3223	3819	1303	1026	277.64	4.695	
10,000	4381	9631	4396	145	138	-90.67	-3294	3890	1303	1021	282.78	4.609	
10,100	4380	9731	4395	148	140	-90.66	-3364	3961	1303	1016	287.91	4.527	
10,200	4379	9831	4394	150	143	-90.66	-3435	4032	1303	1010	293.05	4.448	
10,300	4379	9931	4394	153	146	-90.66	-3506	4103	1303	1005	298.19	4.371	
10,400	4378	10,031	4393	155	148	-90.66	-3576	4173	1303	1000	303.33	4.297	
10,500	4378	10,131	4392	158	151	-90.65	-3647	4244	1304	995	308.47	4.226	
10,600	4377	10,231	4392	160	153	-90.65	-3717	4315	1304	990	313.62	4.156	
10,700	4376	10,331	4391	163	156	-90.65	-3788	4386	1304	985	318.76	4.089	
10,800	4376	10,431	4391	166	158	-90.64	-3858	4457	1304	980	323.91	4.025	
10,900	4375	10,531	4390	168	161	-90.64	-3929	4528	1304	975	329.05	3.962	
10,941	4375	10,572	4390	169	162	-90.64	-3958	4557	1304	972	331.17	3.936 SF	



Lonestar Consulting, LLC

Anticollision Report



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Reference Site:	C07 2309	MD Reference:	GL 6801' & RKB 14' @ 6815ft
Site Error:	0 ft	North Reference:	True
Reference Well:	# 136H	Survey Calculation Method:	Minimum Curvature
Well Error:	0 ft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Reference Depths are relative to GL 6801' & RKB 14' @ 6815ft

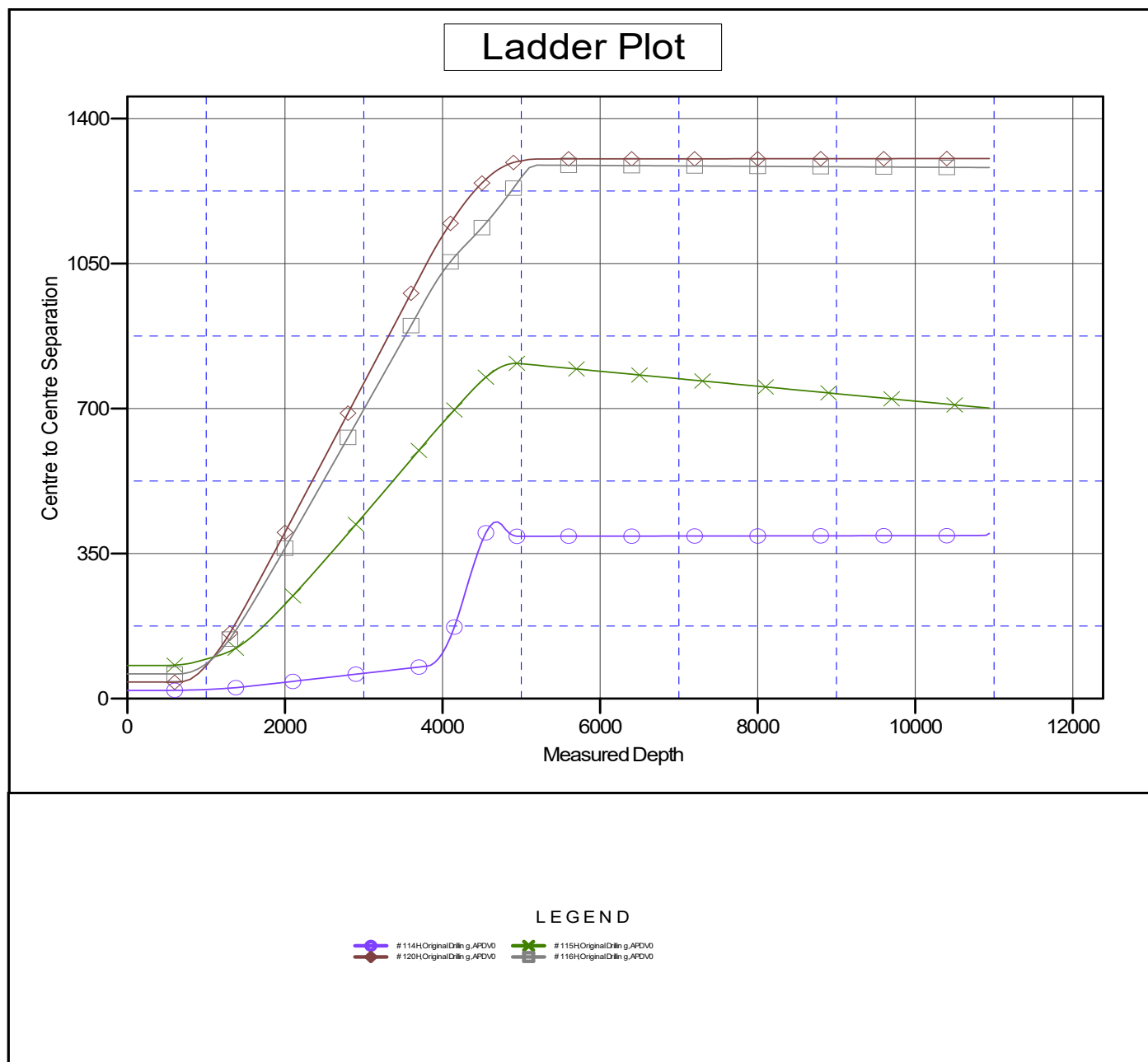
Offset Depths are relative to Offset Datum

Central Meridian is -107.8333333

Coordinates are relative to: # 136H - Slot 1

Coordinate System is US State Plane 1983, New Mexico Western Zone

Grid Convergence at Surface is: 0.00°





Lonestar Consulting, LLC
Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well # 136H - Slot 1
Project:	Ponderosa Unit	TVD Reference:	GL 6801' & RKB 14' @ 6815ft
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Reference Design:	APD	Offset TVD Reference:	Offset Datum

Reference Depths are relative to GL 6801' & RKB 14' @ 6815ft

Offset Depths are relative to Offset Datum

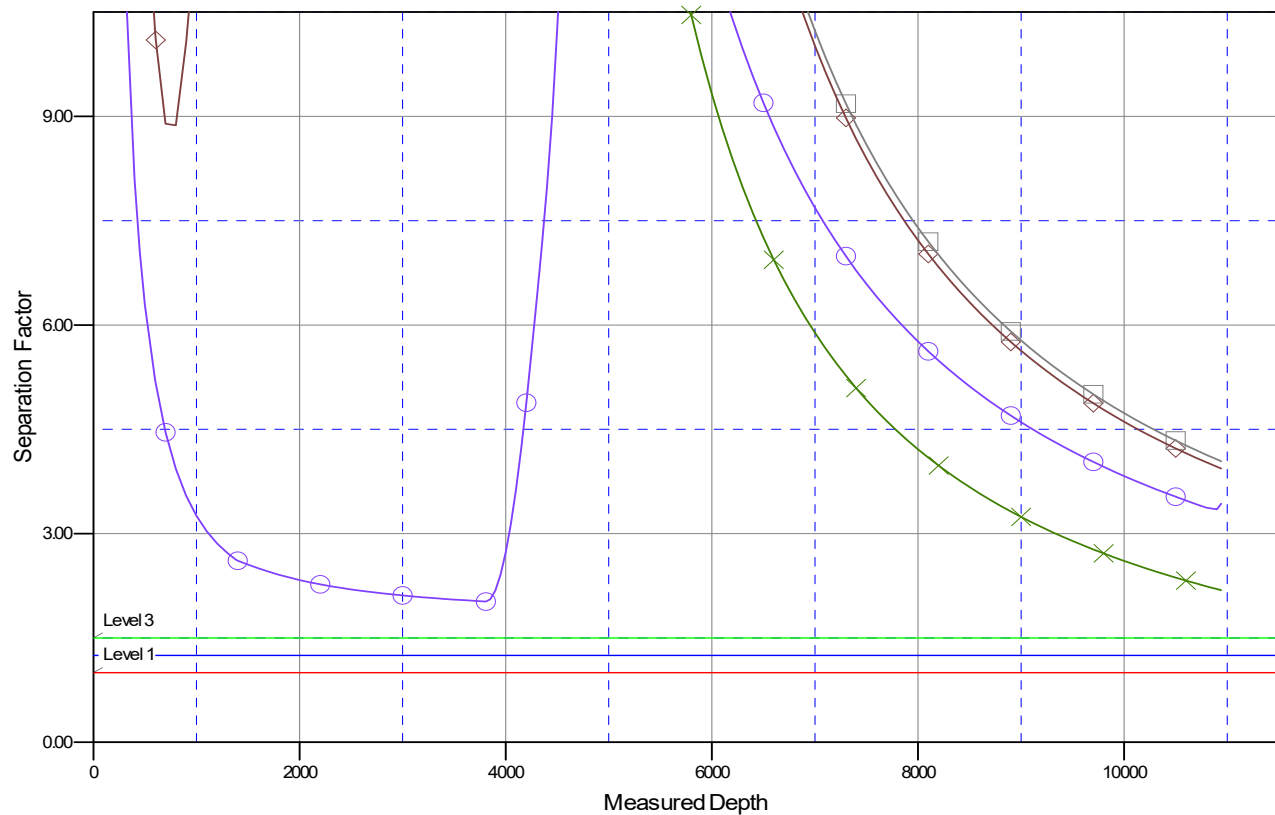
Central Meridian is -107.8333333

Coordinates are relative to: # 136H - Slot 1

Coordinate System is US State Plane 1983, New Mexico Western Zone

Grid Convergence at Surface is: 0.00°

Separation Factor Plot



LEGEND





United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Farmington District Office
6251 College Blvd, Suite A
Farmington, New Mexico 87402



In Reply Refer To:
3162.3-1(NMF0110)

* DJR OPERATING LLC

PONDEROSA #136H

Lease: NMNM19816

SH: NE $\frac{1}{4}$ NW $\frac{1}{4}$ Section 7, T.23 N., R.9 W.
San Juan County, New Mexico

BH: SE $\frac{1}{4}$ SE $\frac{1}{4}$ Section 7, T.23 N., R.9 W.
San Juan County, New Mexico

***Above Data Required on Well Sign**

GENERAL REQUIREMENTS FOR OIL AND GAS OPERATIONS ON FEDERAL AND INDIAN LEASES

The following special requirements apply and are effective when **checked**:

- A. ☒ Note all surface/drilling conditions of approval attached.
- B. ☒ The required wait on cement (WOC) time will be a minimum of 500 psi compressive strength at 60 degrees. Blowout preventor (BOP) nipple-up operations may then be initiated
- C. ☐ Test the surface casing to a minimum of _____ psi for 30 minutes.
- D. ☒ Test all casing strings below the surface casing to .22 psi/ft. of casing string length or 1500 psi, whichever is greater, but not to exceed 70% of the minimum internal yield burst) for a minimum of 30 minutes.
- E. ☒ Communitization Agreement covering the acreage dedicated to this well must be filed for approval with the Bureau of Land Management, New Mexico State Office, Reservoir Management Group, 301 Dinosaur Trail, Santa Fe, New Mexico 87508.
The effective date of the agreement must be **prior** to any sales.
- F. ☒ The use of co-flex hose is authorized contingent upon the following:
 1. From the BOP to the choke manifold: the co-flex hose must be hobbled on both ends and saddle to prevent whip.
 2. From the choke manifold to the discharge tank: the co-flex hoses must be as straight as practical, hobbled on both ends and anchored to prevent whip.
 3. The co-flex hose pressure rating must be at least commensurate with approved BOPE.

INTERIOR REGION 7 • UPPER COLORADO BASIN

COLORADO, NEW MEXICO, UTAH, WYOMING

I. GENERAL

- A. Full compliance with all applicable laws, regulations, and Onshore Orders, with the approved Permit to drill, and with the approved Surface Use and Operations Plan is required. Lessees and/or operators are fully accountable for the actions of their contractors and subcontractors. Failure to comply with these requirements and the filing of required reports will result in strict enforcement pursuant to 43 CFR 3163.1 or 3163.2.
- B. Each well shall have a well sign in legible condition from spud date to final abandonment. The sign should show the operator's name, lease serial number, or unit name, well number, location of the well, and whether lease is Tribal or Allotted, (See 43 CFR 3162.6(b)).
- C. A complete copy of the approved Application for Permit to Drill, along with any conditions of approval, shall be available to authorized personnel at the drill site whenever active drilling operations are under way.
- D. For Wildcat wells only, a drilling operations progress report is to be submitted, to the BLM-Field Office, weekly from the spud date until the well is completed and the Well Completion Report is filed. The report should be on 8-1/2 x 11 inch paper, and each page should identify the well by; operator's name, well number, location and lease number.
- E. As soon as practical, notice is required of all blowouts, fires and accidents involving life-threatening injuries or loss of life. (See NTL-3A).
- F. Prior approval by the BLM-Authorized Office (Drilling and Production Section) is required for variance from the approved drilling program and before commencing plugging operations, plug back work casing repair work, corrective cementing operations, or suspending drilling operations indefinitely. Emergency approval may be obtained orally, but such approval is contingent upon filing of a notice of intent within three business days. **Any changes to the approved plan or any questions regarding drilling operations should be directed to BLM during regular business hours at 505-564-7600. Emergency program changes after hours should be directed to at Virgil Lucero at 505-793-1836.**
- G. **The Inspection and Enforcement Section (I&E), phone number (505-564-7750) is to be notified at least 24 hours in advance of BOP test, spudding, cementing, or plugging operations so that a BLM representative may witness the operations.**
- H. Unless drilling operations are commenced within two years, approval of the Application for Permit to Drill will expire. A written request for a two years extension may be granted if submitted prior to expiration.
- I. From the time drilling operations are initiated and until drilling operations are completed, a member of the drilling crew or the tool pusher shall maintain rig surveillance at all time, unless the well is secured with blowout preventers or cement plugs.
- J. If for any reason, drilling operations are suspended for more than 90 days, a written notice must be provided to this office outlining your plans for this well.

II. REPORTING REQUIREMENTS

A. For reporting purposes, all well Sundry notices, well completion and other well actions shall be referenced by the appropriate lease, communitization agreement and/or unit agreement numbers.

B. The following reports shall be filed with the BLM-Authorized Officer within 30 days after the work is completed.

1. Provide complete information concerning.

- a. Setting of each string of casing. Show size and depth of hole, grade and weight of casing, depth set, depth of any and all cementing tools that are used, amount (in cubic feet) and types of cement used, whether cement circulated to surface and all cement tops in the casing annulus, casing test method and results, and the date work was done. Show spud date on first report submitted.
- b. Intervals tested, perforated (include; size, number and location of perforations), acidized, or fractured; and results obtained. Provide date work was done on well completion report and completion sundry notice.
- c. Subsequent Report of Abandonment, show the manner in which the well was plugged, including depths where casing was cut and pulled, intervals (by depths) where cement plugs were replaced, and dates of the operations.

2. Well Completion Report will be submitted with 30 days after well has been completed.

- a. Initial Bottom Hole Pressure (BHP) for the producing formations. Show the BHP on the completion report. The pressure may be: 1) measured with a bottom hole bomb, or; 2) calculated based on shut in surface pressures (minimum seven day buildup) and fluid level shot.

3. Submit a cement evaluation log, if cement is not circulated to surface.

III. DRILLER'S LOG

The following shall be entered in the daily driller's log: 1) Blowout preventer pressures tests, including test pressures and results. 2) Blowout preventer tests for proper functioning, 3) Blowout prevention drills conducted, 4) Casing run, including size, grade, weight, and depth set, 5) How pipe was cemented, including amount of cement, type, whether cement circulated to surface, location of cementing tools, etc., 6) Waiting on cement time for each casing string, 7) Casing pressure tests after cementing, including test pressure and results and 8) Estimated amounts of oil and gas recovered and/or produced during drill stem test.

IV. GAS FLARING

Gas produced from this well may not be vented or flared beyond an initial, authorized test period of *** Days or 50 MMCF** following its (completion)(recompletion), whichever first occurs, without the prior, written approval of the authorized officer. Should gas be vented or flared without approval beyond the test period authorized above, you may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted. You shall be required to compensate the lessor for the portion of the gas vented or flared without approval which is determined to have been avoidably lost.

***30 days**, unless a longer test period is specifically approved by the authorized officer. The 30-day period will commence upon the first gas to surface.

V. SAFETY

- A. All rig heating stoves are to be of the explosion-proof type.
- B. Rig safety lines are to be installed.
- C. Hard hats and other Personal Protective Equipment (PPE) must be utilized.

VI. CHANGE OF PLANS OR ABANDONMENT

- A. Any changes of plans required in order to mitigate unanticipated conditions encountered during drilling operations, will require approval as set forth in Section 1.F.
- B. If the well is dry, it is to be plugged in accordance with 43 CFR 3162.3-4, approval of the proposed plugging program is required as set forth in Section 1.F. The report should show the total depth reached, the reason for plugging, and the proposed intervals, by depths, where cement plugs are to be placed, type of plugging mud, etc. A Subsequent Report of Abandonment is required as set forth in Section II.B.1c.
- C. Unless a well has been properly cased and cemented, or properly plugged, the drilling rig must not be moved from the drill site without prior approval from the BLM-Authorized Officer.

VII. PHONE NUMBERS

- A. For BOPE tests, cementing, and plugging operations the phone number is 505-564-7750 and must be called 24 hours in advance in order that a BLM representative may witness the operations.

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 262419

CONDITIONS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 262419
	Action Type: [C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date
ward.rikala	Notify OCD 24 hours prior to casing & cement	9/14/2023
ward.rikala	Will require a File As Drilled C-102 and a Directional Survey with the C-104	9/14/2023
ward.rikala	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string	9/14/2023
ward.rikala	Cement is required to circulate on both surface and intermediate1 strings of casing	9/14/2023
ward.rikala	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system	9/14/2023