DJR Operating

August 28, 2019

Mr. Will Jones
New Mexico Oil Conservation Division – Engineering Bureau
1200 South St. Francis St.
Santa Fe, NM 87505

Re: Application for Blanco Wash Unit WDW #1, San Juan Co., NM

Dear Mr. Jones:

Enclosed is DJR Operating, LLC's application for disposal of produced water in the North Alamito WDW #1. In fulfilling the requirements of the application, the following materials are provided herein.

1. Form C-108, Application for Authorization to Inject
2. Tabular and schematic data on proposed injection well
3. Two-mile radius map identifying all wells along with a one-half mile radius drawn around the proposed injection well identify the Area of Review
4. Data sheet of all wells within two miles of proposed injection well, highlighting those wells inside the one-half mile Area of Review of the proposed injection well
5. Lease and surface owner maps identifying all lessees and surface owners within a two-mile radius with one-half mile Area of Review drawn around the proposed injection well
6. Operations plan for proposed injection well
7. Water analysis of produced water to be to be disposed of in the proposed injection well
8. Required geologic, stimulation, logging, testing and fresh water data from nearby wells
9. Signed statement of geologic and engineering data
10. Proof of notice in the form of notification letters sent to offsetting operators and surface owners
11. A copy of the Affidavit of Publication of the notice as it appeared in the Farmington Daily Times

Please note there were numerous Pre-ONGARD wells located within the two mile radius for this proposed WDW. Additional information on these wells was not provided as they are no longer active and there is no information available in the NMOCD well database. If you have questions or require additional information, please contact me at (303) 407-7390 or nli@djrllc.com.

Sincerely,

Ningning Li
Completions Manager

Attachments

HA64M-190906-C108
9/6/2019

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO: pKAM1928055659

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Geological & Engineering Bureau –
1220 South St. Francis Drive, Santa Fe, NM 87505

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: DJR Operating, LLC **OGRID Number:** 371838
Well Name: Blanco Wash Unit WDW #1 **API:**
Pool: SWD; Entrada **Pool Code:** 96436

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]
A. Location – Spacing Unit – Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]
[I] Commingling – Storage – Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
☐ WFX ☐ PMX ☒ SWD ☐ IPI ☐ EOR ☐ PPR

FOR OCD ONLY
☐ Notice Complete
☐ Application Content Complete

2) **NOTIFICATION REQUIRED TO:** Check those which apply.
A. ☒ Offset operators or lease holders
B. ☐ Royalty, overriding royalty owners, revenue owners
C. ☒ Application requires published notice
D. ☐ Notification and/or concurrent approval by SLO
E. ☐ Notification and/or concurrent approval by BLM
F. ☒ Surface owner
G. ☒ For all of the above, proof of notification or publication is attached, and/or,
H. ☐ No notice required

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Ningning Li
Print or Type Name

Signature

9/6/2019
Date

303-407-7390
Phone Number

nli@djrllc.com
e-mail Address

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

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

FORM C-108
Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____Secondary Recovery _____Pressure Maintenance ____XX__Disposal _____Storage
Application qualifies for administrative approval? _____Yes _____No

II. OPERATOR: _DJR Operating, LLC_____

ADDRESS: __1600 Broadway, Suite 1960, Denver, CO 80202_____

CONTACT PARTY: ___Ningning Li_____PHONE: 303-407-7390____

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____Yes ____XX___No
If yes, give the Division order number authorizing the project: _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: ___Ningning Li_____TITLE: Engineer

SIGNATURE: _____DATE: 9/6/19

E-MAIL ADDRESS: ____nli@djrllc.com_____

XV. If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

(1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.

(2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.

(3) A description of the tubing to be used including its size, lining material, and setting depth.

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

(1) The name of the injection formation and, if applicable, the field or pool name.

(2) The injection interval and whether it is perforated or open-hole.

(3) State if the well was drilled for injection or, if not, the original purpose of the well.

(4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.

(5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

(1) The name, address, phone number, and contact party for the applicant;

(2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;

(3) The formation name and depth with expected maximum injection rates and pressures; and,

(4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

Application for Authorization to Inject

DJR Operating, LLC

Blanco Wash Unit WDW #1

General Information

DJR Operating, LLC is hereby making an application for administrative approval to dispose of produced water by underground injection. The proposed disposal site is the Blanco Wash Unit WDW #1 well located 2120' FNL & 1388' FEL in Section 12, Township 24 North, Range 9 West, San Juan County, New Mexico. Produced water will be injected into the Entrada Sandstone between 7370' to 7565'. The maximum injection pressure will be 1300-psi and the maximum injection rate will be 6000 barrels of water daily.

The well is a new drill for the purpose of salt water disposal. The well is in the process of being permitted and is awaiting SWD application approval to commence drilling. Upon approval of this application, an injection test will be conducted. If adequate rates are not found, it may be necessary to stimulate the proposed injection zone or perforate additional zones in the well.

Any change to the plans contained herein will be approved by the New Mexico Oil Conservation Division prior to implementation.

Application for Authorization to Inject

DJR Operating, LLC

Blanco Wash Unit WDW No. 1

Part III. Well Data

A. Tabular Information

1. Name: Blanco Wash Unit WDW No. 1

   Location: 2120' FNL & 1388' FEL
   Section 12, T24N, R9W
   San Juan County, NM

2. Surface Casing:
   9-5/8 in, 36 lb, J-55 set at 500 ft., Cemented with 253 sx (352 cu ft). Circulate cement to surface, Hole size – 12-1/4 in.

   Production Casing:
   7 in, 26 lb, N-80 (7565 ft.) set at 7566 ft. Cement in two stages with stage tool (DV) at 4340 ft using 727 cubic ft in first stage (309 sx in lead and 82 sx in tail) and 979 cubic ft in second stage (435 sx in lead and 82 sx in tail). Hole size – 8-3/4 in.

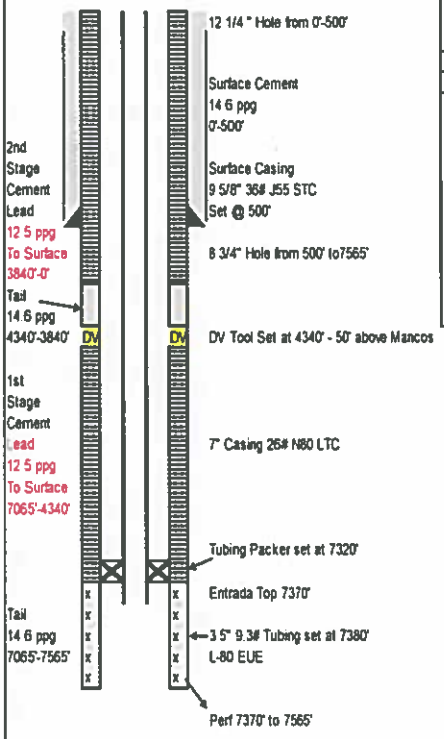
   Injection Tubing:
   3-1/2 in L-80 EUE 9.3 lb/ft Internally Coated Tubing set at 7380 ft.

   Packer:
   7 in by 3 ½ in AS1-X packer 10K nickel coated, will be set in tension at 7320 ft or 50 ft above the upper most perforation.

B. Additional Information

1. Injection Interval: Entrada Sandstone
2. The injection interval (Entrada 7370' – 7565') will be perforated.
3. The well (Blanco Wash WDW #1) will be drilled for the purpose of injection into the Entrada Sandstone.
4. Only the injection interval is to be perforated.
5. Fruitland Coal / Pictured Cliffs Sandstone-Approx. 1590' – 1950', Gallup-Approx. 5190'-6130' and Dakota Sandstone-Approx. 6220'-7310'.

Injection Well Data Sheet
Operator: DJR Operating LLC
Well Name and Number: Blanco Wash Unit WDW No. 1



WELL NAME: Blanco Wash Unit WDW #1 STATE: New Mexico
API NO: COUNTY: San Juan
TVD: 7565'

LOCATION: 2120' FNL & 1388' FEL
Sec 12, T24N R9W
TARGET FORMATION: Entrada

CASING DATA and OTHER TOOLS

	OD	WT/FT	GRADE	THREAD	TOP	EOC
Srf Csg	9.625"	36.00 lb/ft	J-55	STC	0'	500'
Prod Liner	7.00"	26.00 lb/ft	N-80	LT&C	0'	7565'
DV Tool					4340'	
Packer	7" by 3 1/2" AS1-X 10K Nickel coated					

CEMENT

		SX	WT.	
Surface	Tail only	253	14.6 ppg	125% Excess over gauge
Production				
1st Stage	Lead	309	12.5 ppg	50% Excess over gauge
1st Stage	Tail	82	14.6 ppg	
2nd Stage	Lead	435	12.5 ppg	
2nd Stage	Tail	82	14.6 ppg	
Total		908		

Geology

Formation Tops	Subsea	TVD	MD	O/G/W	Pressure
Ojo Alamo	5720	980	980	W	normal
Kirtland	5565	1135	1135	W	normal
Fruitland	5110	1590	1590	G/W	sub-normal
Pictured Cliffs	4930	1770	1770	G/W	sub-normal
Lewis	4750	1950	1950	G/W	normal
Chacra	4050	2650	2650	G/W	normal
Cliff House	3395	3305	3305	G/W	sub-normal
Menefee	3340	3360	3360	G/W	normal
Point Lookout	2550	4150	4150	G/W	normal
Mancos	2310	4390	4390	O/G	normal
Gallup	1510	5190	5190	O/G	normal
Greenhorn	570	6130	6130	O/G/W	normal
Dakota	480	6220	6220	O/G/W	normal
Todilto	-610	7310	7310	G/W	normal
Entrada	-670	7370	7370	W	normal
Total Depth		7565	7565		

Tubing and Packer

Size	Tubing Depth	Packer Depth
3.500"	7380'	7320'

DJR Operating, LLC

Blanco Wash Unit WDW # 1

INJECTION WELL DATA SHEET

Tubing Size:

Surface Casing:
9-5/8 in, 36 lb., J-55 set at 500 ft, Cemented with 253 sx (352 cu ft). Circulate cement to surface, Hole size – 12-1/4 in.

Production Casing:
7 in, 26 lb. (7565 ft) set at 7566 ft. Cement in two stages with stage tool (DV) at 4340 ft using 727 cubic ft in first stage (309 sx in lead and 82 sx in tail) and 979 cubic ft in second stage (435 sx in lead and 82 sx in tail). Hole size – 8-3/4 in.

Injection Tubing:
3-1/2 in L-80 EUE 9.3 lb./ft Internally Coated Tubing set at 7380 ft.

Type of Packer:

7 in by 3 ½ in AS1-X packer 10K nickel coated, will be set in tension at 7320 ft or 50 ft above the upper most perforation.

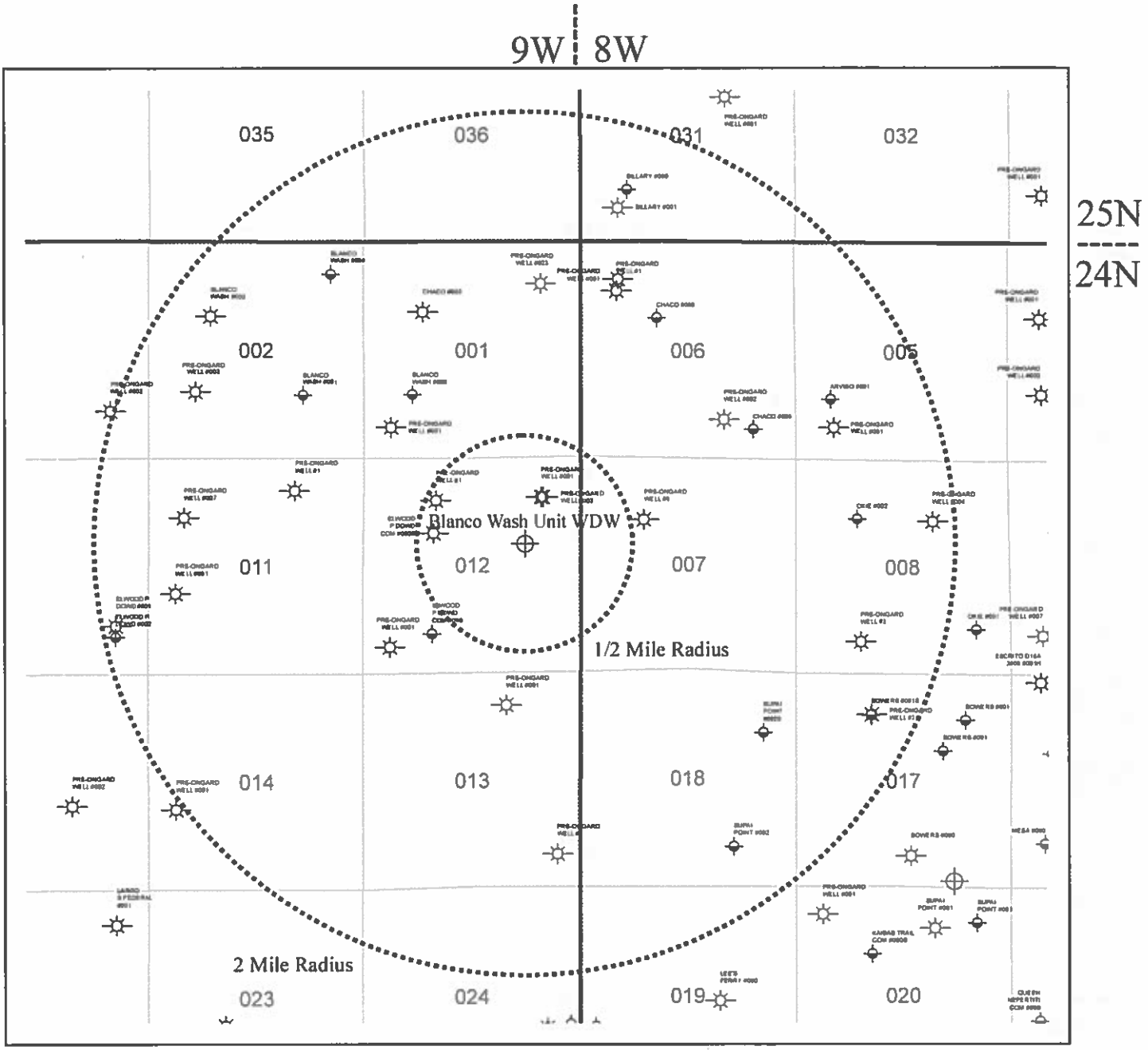
Packer Setting Depth:

Set in tension at 7320 ft or 50 ft above the upper most perforation.

Other Type of Tubing/Casing Seal (If applicable): -NA-

Additional Data

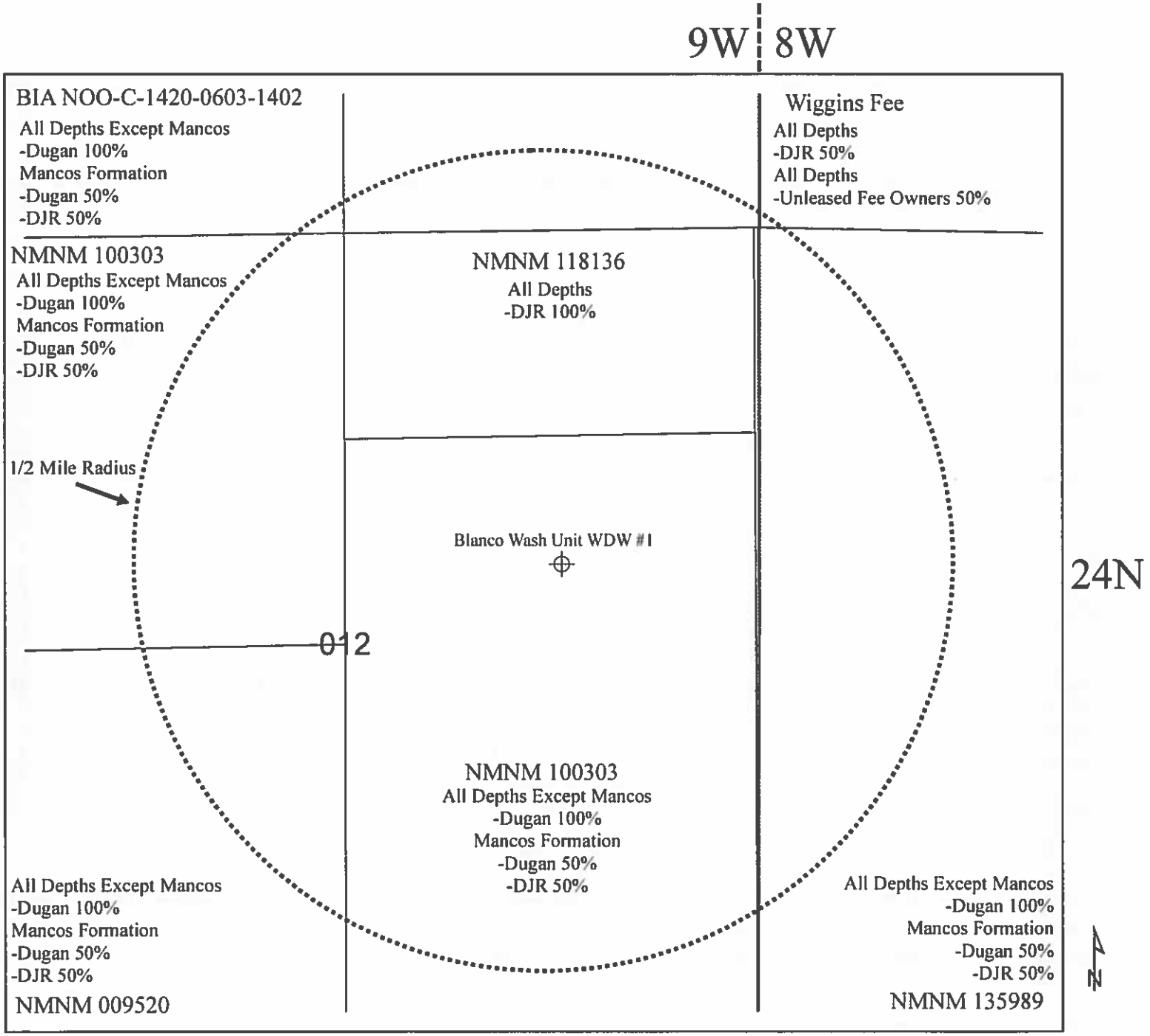
1. Is this a new well drilled for injection: X Yes No
   If no, for what purpose was the well originally drilled?
2. Name of Injection Formation: Entrada Sandstone
3. Name of Field or Pool (If applicable): NA
4. Has the well ever been perforated in other zone(s): No
   List all such Perforated intervals and give plugging detail, i.e. Sacks of cement or plug(s) used: NA
5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: Fruitland Formation-1590', Picture Cliffs-1770', Mancos Shale-4390', Gallup Sandstone-5190', Dakota Sandstone-6220'



2 Mile Radius Map Legend

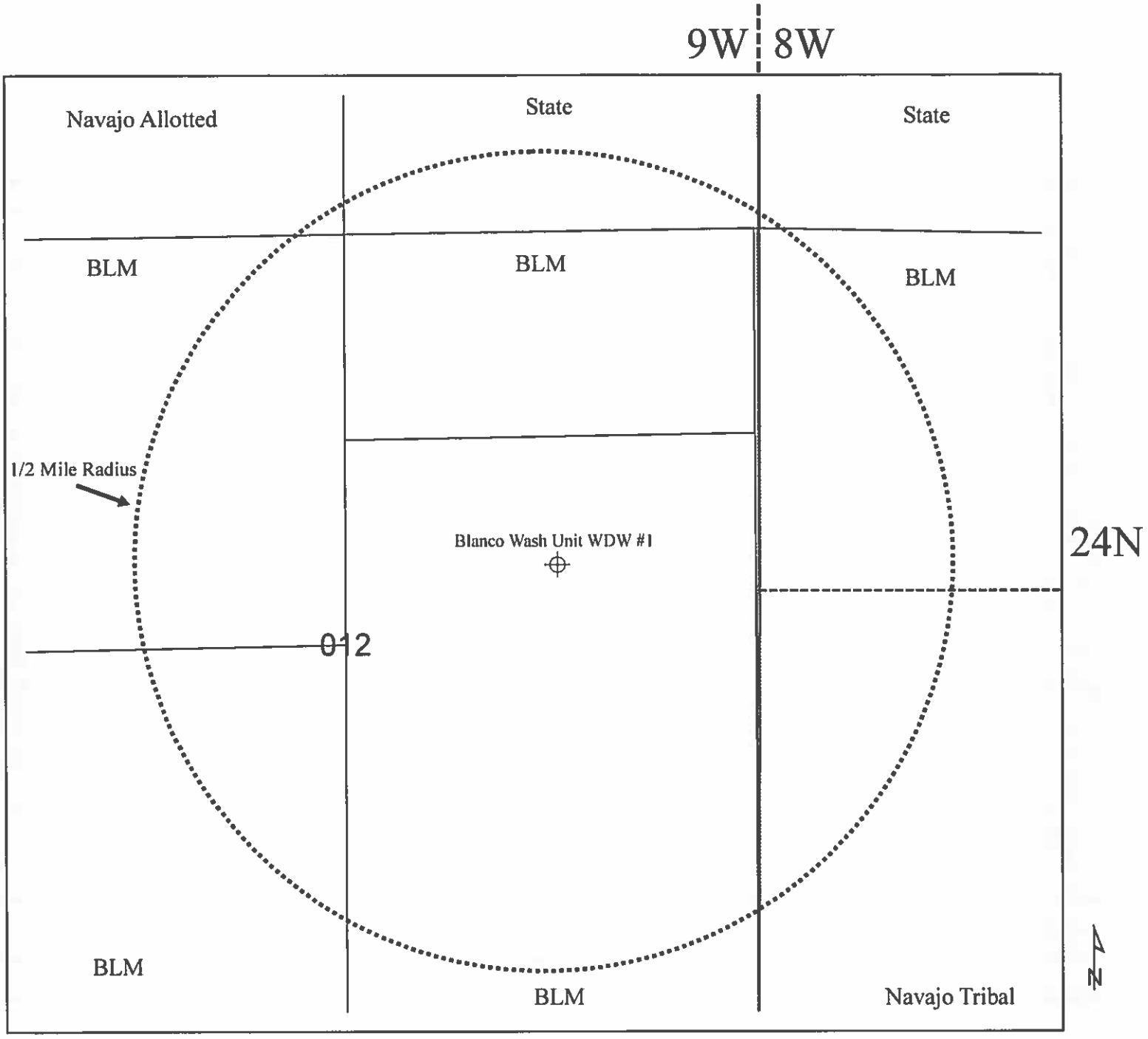
- 1/2 Mile Radius BW
- 2 Mile Radius BW
- Suspended, Cancelled, Plugged
- New, Active
- Blanco Wash Unit WDW #1

Township 24 North, Range 8 West
Township 24 North, Range 9 West
San Juan County, NM



C-108 Application to Inject
Blanco Wash Unit WDW #1
Part V. b.
Lease Ownership Map

Township 24 North, Range 8 West
Township 24 North, Range 9 West
San Juan County, NM



C-108 Application to Inject
Blanco Wash Unit WDW #1
Part V. c.
Surface Ownership Map

Application for Authorization to Inject

DJR Operating, LLC

Blanco Wash Unit WDW #1

Part VI. Data on Offset Wells

There are no wells of public record which penetrate the proposed injection zone within the ½ mile Area of Review. There are three Pre-ONGARD wells within the ½ mile Area of Review which are no longer active. There is one producing oil and gas well within the ½ mile Area of Review. The required information downloaded from the NMOCD web site for this well; the Elwood P. Dowd #090S, is included in this application.

Blanco Wash Unit WDW #1 - List of Wells Within a Two Mile Radius

API	Well Name	Well Number	Type	Mineral Owner	Surface Owner	Status	Unit Letter	Section	Township	Range	OCD Unit Letter	Last Production	Spud Date	Plugg
30-045-33943	ARVISO	#001	Gas	Federal		Active	L	5	24N	08W	L	Jun-19	11/26/2006	
30-045-32272	CHACO	#005	Gas	Federal		Active	P	6	24N	08W	P	Jun-19	10/4/2004	
30-045-32273	CHACO	#090	Gas	Federal		Active	F	6	24N	08W	F	Jun-19	10/11/2004	
30-045-22307	OKIE	#001	Gas	Federal		Active	P	8	24N	08W	P	Jun-19	1/14/1977	
30-045-22304	OKIE	#002	Gas	Federal		Active	F	8	24N	08W	F	Jun-19	1/27/1977	
30-045-31723	BOWERS	#091S	Gas	Federal		Active	C	17	24N	08W	C	Jun-19	10/6/2003	
30-045-31414	SUPAI POINT	#092	Gas	Federal		Active	O	18	24N	08W	O	Jun-19	6/3/2003	
30-045-31724	SUPAI POINT	#092S	Gas	Federal		Active	H	18	24N	08W	H	Jun-19	9/30/2003	
30-045-30248	BILLARY	#090	Gas	Federal		Active	M	31	25N	8W	M	Jun-19	1/15/2001	
30-045-22937	BLANCO WASH	#005	Oil	Federal		Active	L	1	24N	09W	L	Jun-19	3/20/1978	
30-045-22473	BLANCO WASH	#001	Oil	Navajo		Active	J	2	24N	09W	J	Jun-19	2/11/1978	
30-045-22938	BLANCO WASH	#004	Oil	Navajo		Active	1	2	24N	09W	A	Jun-19	3/9/1978	
30-045-24905	ELWOOD P. DOWD	#002	Oil	Federal		Active	P	10	24N	09W	P	Jun-19	3/16/1981	
30-045-29634	ELWOOD P. DOWD	#090	Gas	Federal		Active	N	12	24N	09W	N	Jun-19	1/22/2001	

***Well in bold type is location within the 1/2 mile Area of Review**

OCD Permitting

Home Wells Well Details

30-045-29634 ELWOOD P DOWD COM #090 [23494]

General Well Information

Operator:	[6515] DUGAN PRODUCTION CORP		
Status:	Active	**Direction:**	Vertical
Well Type:	Gas	**Multi-Lateral:**	No
Work Type:	New	**Mineral Owner:**	Federal
		Surface Owner:	
Surface Location:	N-12-24N-09W 965 FSL 1685 FWL		
Lat/Long:	36.3241234,-107.7441254 NAD83		
GL Elevation:	6641		
KB Elevation:		**Sing/Mult Compl:**	Single
DF Elevation:		**Potash Waiver:**	False

Proposed Formation and/or Notes

BASIN FC

Depths

Proposed:	1810	**True Vertical Depth:**	1825
Measured Vertical Depth:	1825	**Plugback Measured:**	0

Formation Tops

Formation	Top	Producing	Method Obtained
Ojo Alamo Formation	1066		
Kirtland Formation	1136		
Fruitland Coal	1354		
Pictured Cliffs Formation	1700		

Event Dates

Initial APD Approval:	07/01/1998		
Most Recent APD Approval:	07/01/1998	**Current APD Expiration:**	07/01/2000
APD Cancellation:			
APD Extension Approval:			
Spud:	01/22/2001	**Gas Capture Plan Received:**	
Approved Temporary Abandonment:		**TA Expiration:**	
Shut In:			
Plug and Abandoned Intent Received:		**PNR Expiration:**	
Well Plugged:		**Last MIT/BHT:**	
Site Release:			
Last Inspection:	10/30/2018		

History

Quick Links
- General Well Information
- History
- Comments
- Operator
- Pits
- Casing
- Well Completions
- Financial Assurance
- Compliance
- Complaints, Incidents and Spills
- Orders
- Production
- Transporters
- Points of Disposition

Associated Images
- Well Files
- Well Logs
- Administrative Orders

New Searches
- New Well Search

Effective Date	Property	Well Number	Operator	C-101 Work Type	Well Type	Well Status	Apd Cancelled	Plug Date
07/01/1998	[23494] ELWOOD P DOWD COM	#090	[6515] DUGAN PRODUCTION CORP	New	Gas	Active		

Comments

Operator

General Contact Information

Company:	[6515] DUGAN PRODUCTION CORP	**Main Phone:**	505-325-1821
Address:	709 E Murray Drive	**Main Fax:**	505-327-4613
	Farmington, NM 87499		
Country:	U.S.A.		

Central Contact

Name:	Lynn Collier	**Phone Number:**	505-325-1821
Title:	Production Accounting Supervisor	**Cell Number:**	
E-Mail Address:	Lynn.Collier@duganproduction.com	**Fax Number:**	505-327-4613

Aztec Contact

Name:	Bill Armenta	**Phone Number:**	505-330-0164
Title:		**Cell Number:**	505-320-3065
E-Mail Address:	barmenta@duganproduction.com	**Fax Number:**	505-327-4613

Pits

No Pits Found

Casing

			Boreholes, Strings and Equipment Specifications			Specifications for Strings and Tubing			Strings Cemented and Intervals			Cement and Plug Description		
String/Hole Type	Taper	Date Set	Diameter	Top	Bottom (Depth)	Grade	Length	Weight	Bot of Cem	Top of Cem	Meth	Class of Cement	Sacks	Pre T ('
Hole 1	1	01/22/2001	9.063	0	125		0	0.0	0	0			0	No
Surface Casing	1	01/22/2001	7.000	0	120	J-55	0	23.0	125	0	Circ		0	No
Hole 2	1	01/24/2001	6.250	125	1825		0	0.0	0	0			0	No
Production Casing	1	01/24/2001	4.500	0	1822	J-55	0	10.5	1825	0	Circ		0	No
Tubing 1	1	05/01/2009	2.375	0	1748	J-55	0	4.7	0	0			0	No

Well Completions

[71629] BASIN FRUITLAND COAL (GAS)

Status:	Active	**Last Produced:**	06/01/2019
Bottomhole Location:	N-12-24N-09W 965 FSL 1685 FWL		
Lat/Long:			
Acreage:	W/320 12-24N-09W Units C D E F K L M N		
DHC:	No	**Consolidation Code:**	
		Production Method:	Flowing

Well Test Data

Production Test:	05/04/2009	**Test Length:**	0 hours
Flowing Tubing Pressure:	2 psi	**Flowing Casing Pressure:**	0 psi
Choke Size:	2.000 inches	**Testing Method:**	
Gas Volume:	10.0 MCF	**Oil Volume:**	0.0 bbls
Gas-Oil Ratio:	0 Kcf / bbl	**Oil Gravity:**	0.0 Corr. API
Disposition of Gas:		**Water Volume:**	56.0 bbls

Perforations

Date	Top Measured Depth (Where Completion Enters Formation)	Bottom Measured Depth (End of Lateral)	Top Vertical Depth	Bottom Vertical Depth
	1688	1698	0	0

Notes

Event Dates

Initial Effective/Approval:	07/01/1998		
Most Recent Approval:	01/22/2001	**TA Expiration:**	
Confidential Requested On:		**Confidential Until:**	
Test Allowable Approval:		**Test Allowable End:**	
TD Reached:		**DHC:**	
Deviation Report Received:	No	**Rig Released:**	
Directional Survey Run:	No	**Logs Received:**	No
Directional Survey Received:	No	**Closure Pit Plat Received:**	
First Oil Production:		**First Gas Production:**	
First Injection:			
Ready to Produce:	05/04/2009	**Completion Report Received:**	
C-104 Approval:	05/19/2009	**New Well C-104 Approval:**	
Plug Back:			
Authorization Revoked Start:		**Revoked Until:**	

Well Completion History

Effective Date	Property	Well Number	Operator	Completion Status	TA Expiration Date
01/22/2001	[23494] ELWOOD P DOWD COM	#090	[6515] DUGAN PRODUCTION CORP	Active	
07/01/1998	[23494] ELWOOD P DOWD COM	#090	[6515] DUGAN PRODUCTION CORP	New, Not Drilled	

Financial Assurance

Effective	Bond Type	Base	Balance	Issuer	Cash/Surety	Cancellation Date
04/10/2019	Blanket	250000	250000	WELLS FARGO BANK	LOC	

Requests to release bonds must be submitted in writing. You may send an e-mail to Denise.Gallegos@state.nm.us or fax a letter to (505) 476-3453.

Compliance

Note that Financial Assurance and Inactive Well Compliance are documented in separate reports (Inactive Well Report, Financial Assurance Report)

Also note that some compliance issues are addressed at the operator level so not listed under each well.

Complaints, Incidents and Spills

No Incidents Found

Please note that incidents that impact ground water are recorded along with "facilities" which may not be wells, so although the initial report may be recorded here as a spill, information related to the abatement plans, remediation plans and ground water impact information are not yet part of this application.

Orders

No Orders Found

Production / Injection

Earliest Production In OCD Records: 5/2009 **Last** 6/2019

Show All Production Export to Excel

	Production				Injection				
Time Frame	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
2009	0	4409	4675	226	0	0	0	0	N/A
2010	0	6051	2403	365	0	0	0	0	N/A
2011	0	5309	5928	365	0	0	0	0	N/A
2012	0	4513	7793	363	0	0	0	0	N/A
2013	0	5554	2825	363	0	0	0	0	N/A
2014	0	6225	3381	356	0	0	0	0	N/A
2015	0	4843	5560	365	0	0	0	0	N/A
2016	0	6366	4444	361	0	0	0	0	N/A
2017	0	5693	3623	365	0	0	0	0	N/A
2018	0	6467	4135	365	0	0	0	0	N/A
2019	0	3274	164	181	0	0	0	0	N/A
Grand Total:	0	58704	44931	3675	0	0	0	0	N/A

Transporters

Transporter	Product	Most Recent for Property
[151618] ENTERPRISE FIELD SERVICES L.L.C.	Gas	6/2019
[6515] DUGAN PRODUCTION CORP	Water	6/2019

Points of Disposition

ID	Type	Description	Pool(s)
4017893	Oil	ELWOOD P DOWD COM #090	[71629] BASIN FRUITLAND COAL (GAS)
4017892	Gas	ELWOOD P DOWD COM #090	[71629] BASIN FRUITLAND COAL (GAS)

Application for Authorization to Inject

DJR Operating, LLC

Blanco Wash Unit WDW #1

Part VII. Operations Plan

1. Average Injection Rate: 3,000-bwpd with a maximum of 6,000-bwpd.
2. The system will be closed.
3. The average injection pressure: 1000 psi and the maximum will be 1300-psi.
4. The source of injected water will be produced water from the Blanco Wash Unit wells in the area (T24N and R8W, 9W). The water to be injected is compatible with the water in the disposal zone.
5. Injection is for disposal purposes into a zone (Entrada Sandstone) that is not productive of oil or gas within one mile of the proposed injection well.

Entrada Formation Water Samples

1. Entrada SWD
Section 8-25N-3W

2. Santa Fe 20 No. 1 SWD
Section 20-21N-8W

3. Herry Monster #3 SWD
Section 11-24N-11W

Water Analysis of Entrada Formation Water

(from TnT Disposal well located in section 8/T25N/R3W)

Multi-Chem Analytical Laboratory
1122 S. FM1788
Midland, TX 79706

multi-chem
A HALLIBURTON SERVICE

Units of Measurement: Standard

Water Analysis Report

Production Company: TNT Environmental
Well Name: SWD ENTRADA
Sample Point: SWD
Sample Date: 11/20/2014
Sample ID: WA-294316

Sales Rep: Greg Ramalho
Lab Tech: Andrew Callaghan

Scaling potential predicted using ScaleSoftPitzer from Brine Chemistry Consortium (Rice University)

Sample Specifics	
Test Date:	11/25/2014
System Temperature 1 (°F):	31
System Pressure 1 (psig):	15
System Temperature 2 (°F):	300
System Pressure 2 (psig):	300
Calculated Density (g/ml):	1.0058
pH:	7.60
Calculated TDS (mg/L):	12320.63
CO2 in Gas (%):	
Dissolved CO2 (mg/L):	80.00
H2S in Gas (%):	
H2S in Water (mg/L):	2.50

Analysis @ Properties in Sample Specifics			
Cations	*mg/L*	*Anions*	*mg/L*
Sodium (Na):	4455.35	Chloride (Cl):	6000.00
Potassium (K):	44.79	Sulfate (SO_4):	1094.00
Magnesium (Mg):	23.10	Bicarbonate (HCO_3):	427.00
Calcium (Ca):	115.67	Carbonate (CO_3):	120.00
Strontium (Sr):	7.60	Acetic Acid (CH_3COO)	
Barium (Ba):	9.30	Propionic Acid (C_2H_5COO)	
Iron (Fe):	1.82	Butanoic Acid (C_3H_7COO)	
Zinc (Zn):	0.10	Isobutyric Acid ($(CH_3)_2CHCOO$)	
Lead (Pb):	0.00	Fluoride (F):	
Ammonia NH_3:		Bromine (Br):	
Manganese (Mn):	0.56	Silica (SiO_2):	21.35

Notes:

(PTB = Pounds per Thousand Barrels)

		Calcium Carbonate		Barium Sulfate		Iron Sulfide		Iron Carbonate		Gypsum $CaSO_4 \cdot 2H_2O$		Celestite $SrSO_4$		Halite NaCl		Zinc Sulfide	
Temp (°F)	PSI	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB
300.00	300.00	1.90	85.63	1.92	5.47	2.21	0.99	1.95	1.31	0.00	0.00	0.09	1.02	0.00	0.00	6.95	0.05
270.00	268.00	1.68	77.73	1.90	5.47	2.04	0.99	1.80	1.30	0.00	0.00	0.00	0.00	0.00	0.00	7.04	0.05
240.00	236.00	1.47	68.31	1.90	5.47	1.89	0.98	1.63	1.29	0.00	0.00	0.00	0.00	0.00	0.00	7.17	0.05
210.00	205.00	1.26	57.99	1.92	5.47	1.76	0.97	1.45	1.27	0.00	0.00	0.00	0.00	0.00	0.00	7.32	0.05
180.00	173.00	1.06	47.51	1.98	5.48	1.67	0.96	1.25	1.24	0.00	0.00	0.00	0.00	0.00	0.00	7.53	0.05
150.00	141.00	0.88	37.61	2.08	5.49	1.62	0.96	1.03	1.19	0.00	0.00	0.00	0.00	0.00	0.00	7.79	0.05
120.00	110.00	0.71	29.02	2.23	5.51	1.64	0.96	0.81	1.11	0.00	0.00	0.00	0.00	0.00	0.00	8.13	0.05
90.00	78.00	0.57	22.00	2.44	5.52	1.73	0.97	0.59	0.96	0.00	0.00	0.00	0.00	0.00	0.00	8.56	0.05
60.00	46.00	0.46	16.76	2.73	5.53	1.92	0.98	0.36	0.73	0.00	0.00	0.00	0.00	0.00	0.00	9.11	0.05
31.00	15.00	0.39	13.73	3.10	5.53	2.26	0.99	0.16	0.39	0.00	0.00	0.00	0.00	0.00	0.00	9.83	0.05

		Hemihydrate $CaSO_4 \cdot 0.5H_2O$		Anhydrite $CaSO_4$		Calcium Fluoride		Zinc Carbonate		Lead Sulfide		Mg Silicate		Ca Mg Silicate		Fe Silicate	
Temp (°F)	PSI	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB
300.00	300.00	0.00	0.00	0.14	31.79	0.00	0.00	0.91	0.06	0.00	0.00	7.71	25.75	4.14	13.11	9.66	1.42
270.00	268.00	0.00	0.00	0.00	0.00	0.00	0.00	0.75	0.06	0.00	0.00	6.34	25.03	3.32	12.39	8.62	1.41
240.00	236.00	0.00	0.00	0.00	0.00	0.00	0.00	0.54	0.05	0.00	0.00	4.87	22.02	2.45	10.55	7.49	1.41
210.00	205.00	0.00	0.00	0.00	0.00	0.00	0.00	0.29	0.03	0.00	0.00	3.30	15.59	1.51	7.07	6.31	1.40
180.00	173.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.67	7.51	0.54	2.57	5.08	1.38
150.00	141.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.84	1.32
120.00	110.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.66	1.18
90.00	78.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.55	0.90
60.00	46.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.61	0.45
31.00	15.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.01

CORE LABORATORIES, Inc.
Petroleum Reservoir Engineering
DALLAS, TEXAS

RECEIVED
MAR 25 1977
Minerals Management Inc.

30-045-22291
G-20-21n-8w

WATER ANALYSIS

File WA - 5

Company Dome Petroleum Corp. Well Name Sante Fe 20 No. 1 Sample No. SS-2

Formation _____ Depth _____ Sampled From _____

Location Sec 20 T 21N R 8W Field _____ County San Juan State N.M.

Date Sampled 3-9-77 Date Analyzed 3-13-77 Engineer RGC

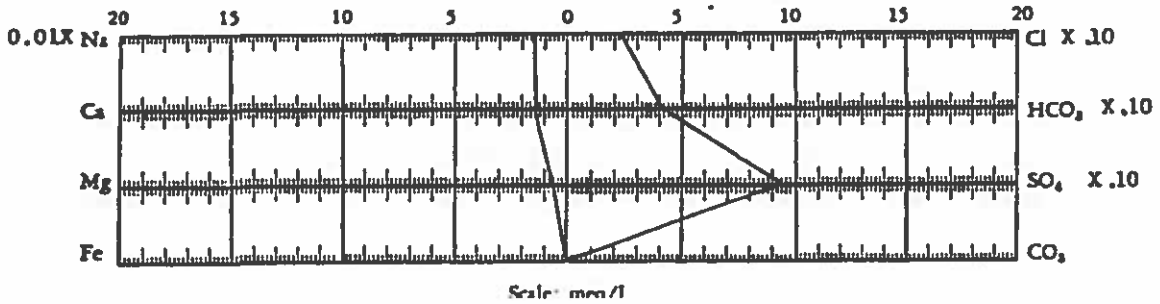
Total Dissolved Solids 11,114.5 mg/L _____ Sp. Gr. 1.009 @ 70 °F.

Resistivity 1.0 ohm-meters @ 70 °F. _____ Hydrogen Sulfide Present

pH 7.73

Constituents	meq/L	mg/L	Constituents	meq/L	mg/L
Sodium	140.44	3228.7	Chloride	25.47	903.0
Calcium	1.35	27.0	Bicarbonate	41.73	2546.0
Magnesium	0.73	8.9	Sulfate	91.61	4400.0
Iron	0.03	0.9	Carbonate	ND	ND*
Barium	ND	ND	Hydroxide	ND	ND

*ND = Less than 0.1 mg/L



HALLIBURTON

Water Analysis Report

30-045-33217
F-11-24n-11w

To:	Dugan Production	Date:	11/10/2005
Submitted by:	Halliburton Energy Services	Date Rec:	11/10/2005
Attention:	Darrin Steed	Report #:	FLMM5A44
Well Name:	Herry Monster #3 SWD	Formation:	Entrada/SWD

Specific Gravity	1.005	
pH	8.4	
Resistivity	0.89	@ 70° F
Iron (Fe)	0	Mg / L
Potassium (K)	200	Mg / L
Sodium (Na)	4165	Mg / L
Calcium (Ca)	176	Mg / L
Magnesium (Mg)	15	Mg / L
Chlorides (Cl)	2200	Mg / L
Sulfates (SO4)	2000	Mg / L
Carbonates (CO3)	40	Mg / L
Bicarbonates (HCO3)	5612	Mg / L
Total Dissolved Solids	14408	Mg / L

Respectfully: Bill Loughridge

Title: Senior Scientist

Location: Farmington, NM

Produced Water Sample

Blanco Wash Unit 328H
UL I, Section 16-24N-9W
API: 030-45-35362

Multi-Chem Analytical Laboratory
1553 East Highway 40
Vernal, UT 84078

multi-chem
A HALLIBURTON SERVICE

Units of Measurement: **Standard**

Water Analysis Report

Production Company:	DJR Operating, LLC	Sales Rep:	Craig Smith
Well Name:	BLANCO WASH UNIT 328H	Lab Tech:	Amanda Harvey
Sample Point:	SEPARATOR		
Sample Date:	4/9/2019		
Sample ID:	WA-385467		

Scaling potential predicted using ScaleSoftPitzer from Brine Chemistry Consortium (Rice University)

Sample Specifics

Test Date:	4/22/2019
System Temperature 1 (°F):	50
System Pressure 1 (psig):	15
System Temperature 2 (°F):	200
System Pressure 2 (psig):	200
Calculated Density (g/ml):	1.0156
pH:	7.80
Calculated TDS (mg/L):	26623.17
CO2 in Gas (%):	
Dissolved CO2 (mg/L):	49.50
H2S in Gas (%):	
H2S in Water (mg/L):	0.00
Tot. SuspendedSolids(mg/L):	
Corrosivity(LangSat.Indx)	0.00
Alkalinity:	

Analysis @ Properties in Sample Specifics

Cations	mg/L	Anions	mg/L
Sodium (Na):	9942.43	Chloride (Cl):	15500.00
Potassium (K):	37.86	Sulfate (SO4):	2.00
Magnesium (Mg):	39.30	Bicarbonate (HCO3):	732.00
Calcium (Ca):	203.96	Carbonate (CO3):	
Strontium (Sr):	67.06	Hydroxide(HO):	
Barium (Ba):	36.91	Acetic Acid (CH3COO)	
Iron (Fe):	2.51	Propionic Acid (C2H5COO)	
Zinc (Zn):	7.00	Butanoic Acid (C3H7COO)	
Lead (Pb):	0.63	Isobutyric Acid ((CH3)2CHCOO)	
Ammonia NH3:		Fluoride (F):	
Manganese (Mn):	0.19	Bromine (Br):	
Aluminum (Al):	0.05	Silica (SiO2):	51.32
Lithium (Li):	2.12	Calcium Carbonate (CaCO3):	
Boron (B):	3.98	Phosphates (PO4):	0.28
Silicon (Si):	23.99	Oxygen (O2):	

Notes:

(PTB = Pounds per Thousand Barrels)

		Calcium Carbonate		Barium Sulfate		Iron Sulfide		Iron Carbonate		Gypsum CaSO4·2H2O		Celestite SrSO4		Halite NaCl		Zinc Sulfide	
Temp (°F)	PSI	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB
200.00	200.00	1.42	78.66	0.00	0.00	0.00	0.00	1.46	1.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
183.00	179.00	1.33	70.99	0.00	0.00	0.00	0.00	1.38	1.74	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
167.00	159.00	1.25	63.73	0.00	0.00	0.00	0.00	1.29	1.72	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
150.00	138.00	1.18	57.11	0.00	0.00	0.00	0.00	1.20	1.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
133.00	118.00	1.11	51.12	0.00	0.00	0.00	0.00	1.10	1.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
117.00	97.00	1.05	45.79	0.00	0.00	0.00	0.00	1.01	1.63	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	77.00	0.99	41.17	0.00	0.00	0.00	0.00	0.91	1.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
83.00	56.00	0.94	37.29	0.08	0.27	0.00	0.00	0.81	1.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
67.00	36.00	0.90	34.25	0.24	0.69	0.00	0.00	0.70	1.43	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
50.00	15.00	0.88	32.78	0.43	1.04	0.00	0.00	0.61	1.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Multi-Chem Analytical Laboratory
1553 East Highway 40
Vernal, UT 84078

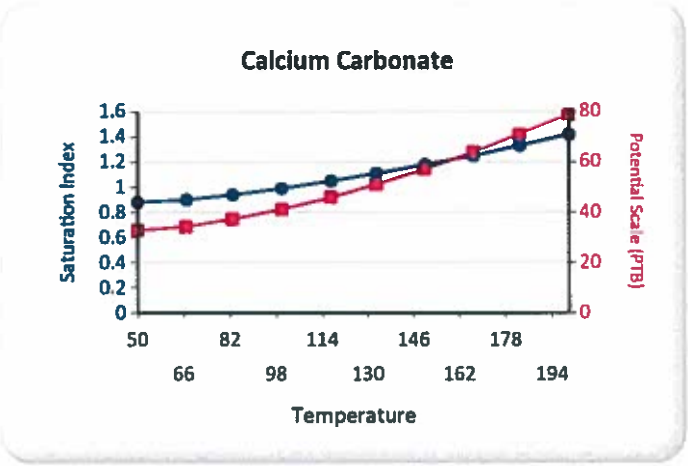
multi-chem
A HALLIBURTON SERVICE

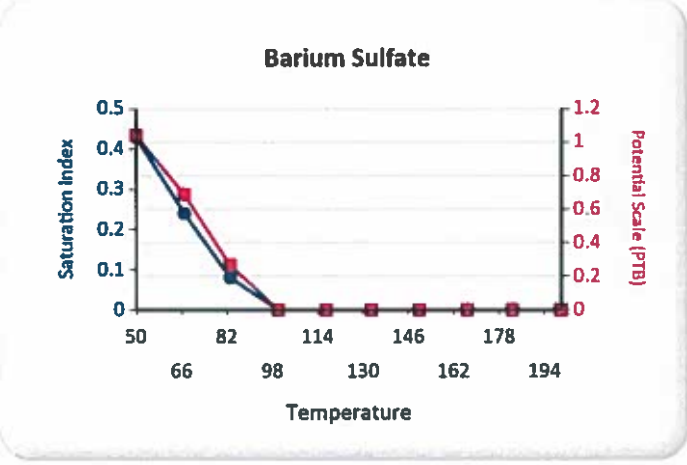
Water Analysis Report

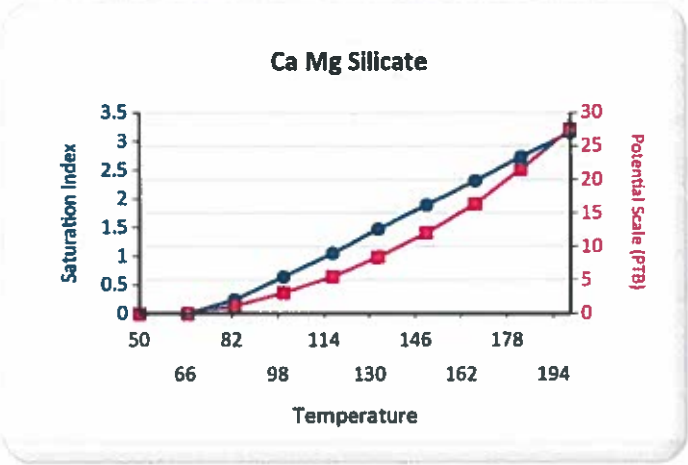
		Hemihydrate CaSO4*0.5H2O		Anhydrate CaSO4		Calcium Fluoride		Zinc Carbonate		Lead Sulfide		Mg Silicate		Ca Mg Silicate		Fe Silicate	
Temp (°F)	PSI	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB
200.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	1.88	4.63	0.00	0.00	4.93	35.14	3.15	27.46	7.76	1.95
183.00	179.00	0.00	0.00	0.00	0.00	0.00	0.00	1.74	4.61	0.00	0.00	4.21	27.32	2.73	21.55	7.25	1.94
167.00	159.00	0.00	0.00	0.00	0.00	0.00	0.00	1.59	4.56	0.00	0.00	3.48	20.32	2.31	16.36	6.75	1.94
150.00	138.00	0.00	0.00	0.00	0.00	0.00	0.00	1.42	4.49	0.00	0.00	2.74	14.38	1.89	12.01	6.26	1.93
133.00	118.00	0.00	0.00	0.00	0.00	0.00	0.00	1.23	4.36	0.00	0.00	2.01	9.47	1.47	8.42	5.77	1.92
117.00	97.00	0.00	0.00	0.00	0.00	0.00	0.00	1.03	4.16	0.00	0.00	1.26	5.43	1.05	5.49	5.30	1.90
100.00	77.00	0.00	0.00	0.00	0.00	0.00	0.00	0.80	3.80	0.00	0.00	0.52	2.10	0.64	3.09	4.84	1.88
83.00	56.00	0.00	0.00	0.00	0.00	0.00	0.00	0.56	3.17	0.00	0.00	0.00	0.00	0.24	1.12	4.40	1.85
67.00	36.00	0.00	0.00	0.00	0.00	0.00	0.00	0.31	2.08	0.00	0.00	0.00	0.00	0.00	0.00	4.00	1.82
50.00	15.00	0.00	0.00	0.00	0.00	0.00	0.00	0.04	0.32	0.00	0.00	0.00	0.00	0.00	0.00	3.69	1.78

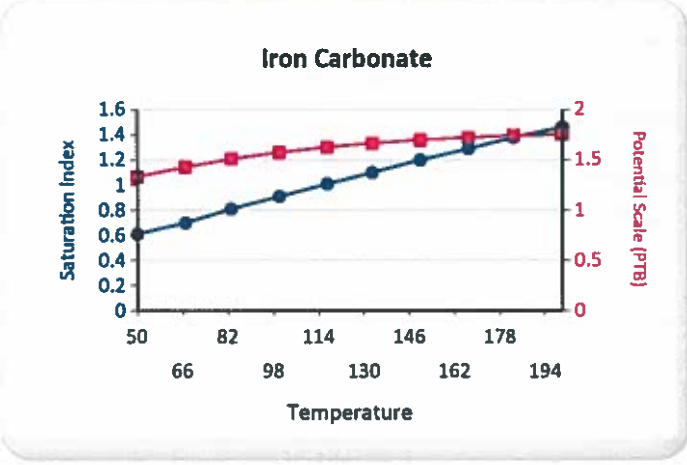
These scales have positive scaling potential under initial temperature and pressure: Calcium Carbonate Iron Carbonate Zinc Carbonate Mg Silicate Ca Mg Silicate Fe Silicate

These scales have positive scaling potential under final temperature and pressure: Calcium Carbonate Barium Sulfate Iron Carbonate Zinc Carbonate Fe Silicate

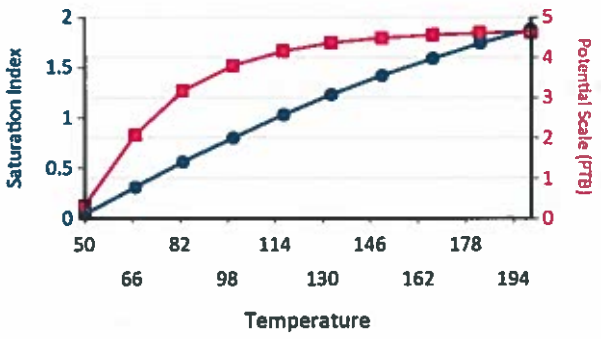




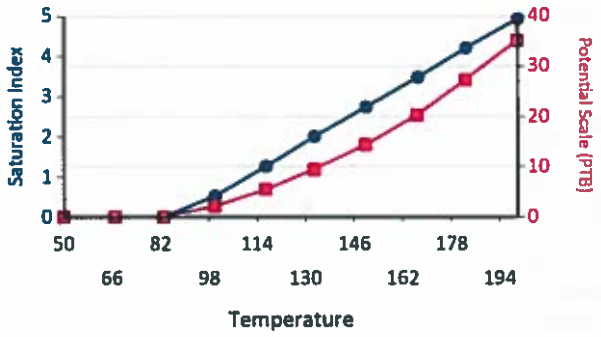




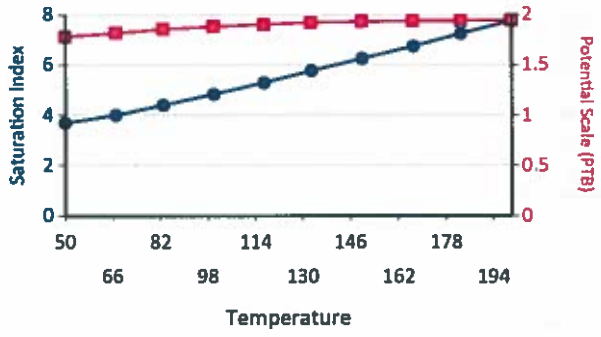
Zinc Carbonate



Mg Silicate



Fe Silicate



Application for Authorization to Inject

DJR Operating, LLC

Blanco Wash Unit WDW #1

Part VIII. Geologic Data

Point of diversion data (POD) obtained from the New Mexico Office of the State Engineer (NMOSE) on July 17, 2019 indicates that there are no water wells completed within 1 mile of the proposed Blanco Wash water disposal well. The NMOSE POD dataset also indicates that the closest surface water diversion to the Blanco Wash water disposal well is SD 05187, which is located 11.7 miles to the west of the Blanco Wash water disposal well. The National Hydrography Dataset indicates that the closest surface water feature to the Blanco water disposal well is an unnamed arroyo, which is located 1,200 feet to the west.

The proposed injection interval is the Entrada Sandstone from approximately 7370' to 7565' below the surface.

There are no known drinking water sources below the Mesaverde interval. The formation tops are as follows:

Formation Tops	**TVD**
Ojo Alamo	980
Kirtland	1135
Fruitland	1590
Pictured Cliffs	1770
Lewis	1950
Chacra	2650
Cliff House	3305
Menefee	3360
Point Lookout	4150
Mancos	4390
Gallup	5190
Greenhorn	6130
Dakota	6220
Todilto	7310
Entrada	7370
Total Depth	7565

Part IX. Stimulation Program

Following injection rate tests, it may be necessary to stimulate the Entrada Sandstone by acidizing or fracturing.

Part X. Logging and Test Data

All logs and test data for the injection well will be submitted to the New Mexico Oil & Gas Conservation Division in Aztec, NM.

Part XI. Fresh Water Samples

Point of diversion data (POD) obtained from the New Mexico Office of the State Engineer (NMOSE) on July 17, 2019 indicates that there are no water wells completed within 1 mile of the proposed Blanco Wash water disposal well.

Application for Authorization to Inject

DJR Operating, LLC

Blanco Wash Unit WDW #1

Part XII. Statement of Geologic and Engineering Data

I have examined all available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

Ningning Li, Completions Manager

9/6/2019
Date

Application for Authorization to Inject

DJR Operating, LLC

Blanco Wash Unit WDW #1

Part XIII. Proof of Notice

Attached are proofs of notice that this application has been sent by certified mail to the surface owner of the land which the injection well is to be located on and all leasehold operators within one-half mile of the well location. Also, proof of publication is enclosed showing the legal advertisement which was published in the Farmington Daily Times.

THE DAILY TIMES

AFFIDAVIT OF PUBLICATION

Ad No.
0001293750

ANIMAS PROPERTY LAW P.C.
858 MAIN, SUITE 204

DURANGO CO 81301

I, being duly sworn say: THE DAILY TIMES, a daily newspaper of general circulation published in English at Farmington, said county and state, and that the hereto attached Legal Notice was published in a regular and entire issue of the said DAILY TIMES, a daily newsaper duly qualified for the purpose within the State of New Mexico for publication and appeared in the internet at The Daily Times web site on the following days(s):

08/13/19

Kathleen Allen
Legal Clerk

Subscribed and sworn before me this 13th of August 2019.

Melissa Rome
State of WI, County of Brown
NOTARY PUBLIC

1-12-2021
My Commission Expires

MELISSA ROME NOTARY PUBLIC STATE OF WISCONSIN

DJR Operating, LLC, 1600 Broadway, Suite 1960, Denver, CO 80202 is making application for administrative approval to dispose of produced and flow-back water by underground injection. Contact person is Ningning Li, Phone 303-407-7390. The proposed disposal site is Blanco Wash WDW #1, located 2120' FNL & 1388' FEL, Sec 12 T24N R9W, San Juan Co NM. Water will be injected into the Entrada Sandstone between the depths of approximately 7370' to 7565' below the surface. Maximum anticipated injection pressure is 1300 psi. Maximum injection rate will be 6000 barrels of water per day. Any interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South Saint Francis Drive, Santa Fe, NM 87505 within 15 days of the date of this publication.

Legal No. 1293750 published in The Daily Times on August 13, 2019.

Ad# 0001293750
P O : Blanco Wash Unit WDW #1
# of Affidavits :0.00

Re: NOTICE OF FORM C-108 APPLICATION)
AUTHORIZATION TO INJECT) SS
BLANCO WASH WDW 1)
SAN JUAN COUNTY, NEW MEXICO)

AFFIDAVIT OF MAILING

STATE OF COLORADO)
) ss
CITY & COUNTY OF DENVER)

Mona L. Binion, Land Negotiator for DJR Operating, LLC ("DJR") does hereby certify that September 3, 2019, she transmitted the attached notice of the captioned matter by certified mail, return receipt requested, to those parties listed on the Notice List attached.

FURTHER AFFIANT SAYETH NOT

Mona L. Binion

Mona L. Binion
DJR Operating, LLC
1600 Broadway, Suite 1960
Denver, CO 80202

Subscribed and sworn to before me this 3rd day of September, 2019 by Mona L. Binion.

Witness my hand and official seal.

My Commission Expires:

Sharon Crumb

Notary Public for State of Colorado

SHARON CRUMB
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20054048113
MY COMMISSION EXPIRES DECEMBER 15, 2021

DJR Energy

DELIVERED VIA CERTIFIED MAIL – RETURN RECEIPT REQUESTED

September 3, 2019

TO OWNERS ON ATTACHED NOTICE LIST

Re: Notice of Application
Form C-108 Authorization to Inject
Blanco Wash WDW #1
San Juan County, New Mexico

Ladies and Gentlemen:

The purpose of this communication is to provide notice of the referenced application which DJR Operating, LLC ("DJR") intends to submit to New Mexico Oil Conservation Division ("NMOCD") in the near future.

Pursuant to the NMOCD notice requirement associated with this application, please find enclosed a copy of the completed C-108 application to be filed. Any objections or requests for hearing related to this application must be filed with NMOCD within fifteen (15) days from the date of mailing of this notice as noted above.

New Mexico Oil Conservation Division
1200 South St. Francis Drive
Santa Fe, NM 87505

Please do not hesitate to contact Mona Binion (303) 407-7399 or mbinion@djrllc.com if you have any questions regarding this notice.

Regards,

DJR Operating, LLC

Mona L. Binion

Mona L. Binion, CPL
Land Consultant

Encls.

BLANCO WASH UNIT WDW #1

NOTICE OF APPLICATION
FORM C-108 FOR AUTHORIZATION TO INJECT
AFFIDAVIT OF MAILING

SURFACE OWNER UNDER WDW LOCATION

USA
Bureau of Land Management
301 Dinosaur Trail
Santa Fe, NM 87508

Bureau of Land Management
6251 College Blvd., Suite A
Farmington, NM 87402
Attention: Joe Kilins

LEASEHOLD OWNERS AND UNLEASED MINERAL OWNERS WITHIN ONE-HALF MILE RADIUS OF WDW LOCATION

Dugan Production Corp.
P. O. Box 420
FarMington, NM 87499
Attention: Ramon Hancock

David Allen Pierce & Maxine Marcella Pierce
Revocable Trust u/t/a 7/16/96
David & Maxine Pierce, Co-Trustees
P.O. Box 2802
Farmington, NM 87499-2802

Nelson Minerals, LLC
4901 Crestwood Drive
Farmington, NM 87402

Dirk Vanhorn Reemstma
211 Central Park West
Apt. 22 K
New York, NY 10024

Lance Brewster Reemstma
4667 Ocean Blvd, Apt. 306
San Diego 92109

Lance Brewster Reemstma
574 Edgecroft Road
Kensington, CA 94707

Movest Capital
P.O. Box 2439
Albany, TX 76430

Kennedy Minerals Ltd.014
48 Road 6050
Farmington, NM 87401

Grover Family L.P.
Attn: Arden R. Grover
P.O. Box 3666
Midland, TX 79702

Patricia Louise Dorsett Trust
Larry Leon Parish, Trustee
16127 Chasemore Drive
Spring, TX 77379

Larry Leon Parish
16127 Chasemore Drive
Spring, TX 77379

The Ninety-Six Corporation
Attn: W.D. Kennedy
550 W. Texas, Ste. 1225
Midland, TX 79701

James R. Leeton Jr.
San Juan Royalty JV-90
P.O. Box 10561
Midland, TX 79702

HDBC Investments, Limited
P.O. Box 12766
Dallas, TX 75225

ELSR, Limited Partnership
8080 N. Central Expressway
Suite 1420, LB #12
Dallas, TX 75206

Mulligan, L.P.
1202 Richardson Drive, #115
Richardson, TX 75080

Paul Davis. Ltd.
P.O. Box 871
Midland, TX 79702

Primitive Petroleum, Inc.
4514 Robin Lane
Midland, TX 79707

James H. Essman
P.O. Box 302
Midland, TX 79702

Heir of Charles B. Edmiaston:
Clay Johnson
1603 North Big Spring
Midland, Texas, 79701

Dick Holland
1801 West Wall St.
Midland, TX 79702

Heir of Janice P. Campbell:
Austen Scott Campbell
P.O. Box 11086
Midland, TX 79702

Heir of Janice P. Campbell:
Holton Gale Campbell
P.O. Box 11086
Midland, TX 79702

Heir of Janice P. Campbell:
Charisa J. Campbell Alamager Trust
Austen S. Campbell, Trustee
P.O. Box 11086
Midland, TX 79702

Heir of John Jayne Campbell, an heir of
Janice P. Campbell:
Amanda Henry
205 S. Clark Street
Rockwall, Texas 75087-3829

Mary L. Herrold Revocable Trust dated
1/7/1992 and Donald E. Herrold
Revocable Trust dated 1/7/1992
6748 South Atlantic Place
Tulsa, OK 74136

Icon Petroleum, Inc.
1411 W. Illinois Ave.
Midland, TX 79701

Kevin K. Leonard
P.O. Box 50642
Midland, TX 79710

J Bar Cane Royalty, LLC
P.O. Box 3660
Roswell, NM 88202

Guadalupe Land & Minerals, LLC
17521 Arratia
El Paso, Texas 79938

Mark and Paula McClellan
P.O. Box 730
Roswell, NM 88202

R. R. Hinkle Company, Inc.
P.O. Box 2292
Roswell, NM 88202

Tierra Oil Company, LLC
P.O. Box 700968
San Antonio, Texas 78270

Spinnaker Investments, LP
P.O. Drawer 3488
Midland, Texas 79702

Compound Properties, LLC
P.O. Box 2990
Ruidoso, NM 88355

Escondido Oil & Gas, LLC
P.O. Box 51390
Midland, Texas 79710

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 2710 64

BUREAU OF LAND MANGEMENT
ATTN JOE KILINS
6251 COLLEGE BLVD STE A
FARMINGTON NM 87402-1738

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 2702 58

USA
BUREAU OF LAND MANAGEMENT
301 DINOSAUR TRL
SANTA FE NM 87508-1560

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 2732 97

DIRK VANHORN REEMSTMA
DIRK VANHORN REEMSTMA
211 CENTRAL PARK W APT 22
NEW YORK NY 10024-6020

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 2721 77

DUGAN PRODUCTION COMPANY
ATTN RAMON HANCOCK
PO BOX 420
FARMINGTON NM 87499-0420

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 2729 17

NELSON MINERALS
NELSON MINERALS
4901 CRESTWOOD DR
FARMINGTON NM 87402-4863

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 2727 57

REVOCABLE TRUST u/t/a 7/16/96
DAVID ALLEN PIERCE & MAXINE MARCELLA PIERCE
PO BOX 2802
DAVID & MAXINE PIERCE CO-TRUSTEES
FARMINGTON NM 87499-2802

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 2753 45

LANCE BREWSTER REEMSTMA
LANCE BREWSTER REEMSTMA
4667 OCEAN BLVD UNIT 306
SAN DIEGO CA 92109-2426

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 2755 98

LANCE BREWSTER REEMSTMA
LANCE BREWSTER REEMSTMA
574 EDGECROFT ROAD
KENSINGTON CA 94707

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 2970 57

MOVEST CAPITAL
MOVEST CAPITAL
PO BOX 2439
ALBANY TX 76430-8020

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 2985 59

KENNEDY MINERALS, LTD
KENNEDY MINERALS, LTD'
48 ROAD 6050
FARMINGTON NM 87401-9607

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 2991 67

GROVER FAMILY, L.P.
ATTN ARDEN R. GROVER
PO BOX 3666
MIDLAND TX 79702-3666

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3002 69

PATRICIA LOUISE DORSETT TRUST
LARRY LEON PARISH, TRUSTEE
16127 CHASEMORE DR
SPRING TX 77379-6601

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3036 66

THE NINETY-SIX CORPORATION
ATTN W.D. KENNEDY
550 W TEXAS AVE STE 1225
MIDLAND TX 79701-4257

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3040 69

JAMES R. LEATON JR
SAN JUAN ROYALTY JV-90
PO BOX 10561
MIDLAND TX 79702-7561

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3043 35

HDBC INVESTMENTS, LIMITED
HDBC INVESTMENTS, LIMITED
PO BOX 12766
DALLAS TX 75225-0766

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3028 74

LARRY LEON PARISH
LARRY LEON PARISH
16127 CHASEMORE DR
SPRING TX 77379-6601

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3056 39

ELSR, LIMITED PARTNERSHIP
ELSR LIMITED PARTNERSHIP
8080 N CENTRAL EXPY STE 1420
LB 12
DALLAS TX 75206-1844

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3058 68

MULLLIGAN, L.P.
MULLIGAN, L.P.
1202 RICHARDSON DR STE 115
RICHARDSON TX 75080-4611

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY LLC
1600 Broadway
Suite 1960
Denver CO 80202

USPS CERTIFIED MAIL

9407 1108 9876 5043 3114 01

Paul Davis, Ltd.
Paul Davis, Ltd.
PO Box 871
Midland TX 79702

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3116 61

Primitive Petroleum, Inc.
4514 ROBIN LN
MIDLAND TX 79707-2219

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

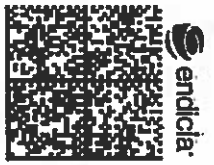
DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3123 30

Dick Holland
1801 W WALL ST
MIDLAND TX 79701-6531

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate



071S00777793

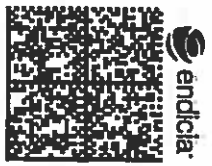
DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3122 00

Heir of Charles B. Edmiaston
Clay Johnson
1603 N BIG SPRING ST
MIDLAND TX 79701-2621

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate



071S00777793

DJR ENERGY LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3118 38

James H. Essman
PO BOX 302
MIDLAND TX 79702-0302

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3128 59

Heir of Janice P. Campbell
Austen Scott Campbell
PO BOX 11086
MIDLAND TX 79702-8086

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3131 91

Heir of Janice P. Campbell
Charisa J. Campbell Alamager Trust
PO BOX 11086
AUSTIN S CAMPBELL, TRUSTEE
MIDLAND TX 79702-8086

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3133 20

Heir of John Jayne Campbell, and heir of
Janice P. Campbell
205 S CLARK ST
AMANDA HENRY
ROCKWALL TX 75087-3829

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

USPS CERTIFIED MAIL

9407 1108 9876 5043 3132 90

TIERRA OIL COMPANY
PO BOX 700968
SAN ANTONIO TX 78270-0968

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

USPS CERTIFIED MAIL

9407 1108 9876 5043 3134 12

SPINNAKER INVESTMENTS, L.P.
PO BOX 3488
MIDLAND TX 79702-3488

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3139 79

COMPOUND PROPERTIES, LLC
PO BOX 2990
RUIDOSO NM 88355-2990

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3140 44

ESCONDIDO OIL & GAS
PO BOX 51390
MIDLAND TX 79710-1390

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3138 87

Mary L. Herrold Revocable Trust dated 1/7/1992
& Donald E Herrold Revocable Trust dated 1/7/92
6748 South Atlantic Place
TULSA OK 74136

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3145 87

Guadalupe Land & Minerals, LLC
17521 ARRATIA AVE
EL PASO TX 79938-0639

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

USPS CERTIFIED MAIL

9407 1108 9876 5043 3148 22

R.R. Hinkle Company, Inc.
PO BOX 2292
ROSWELL NM 88202-2292

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

USPS CERTIFIED MAIL

9407 1108 9876 5043 3140 82

Icon Petroleum, Inc.
1411 W ILLINOIS AVE
MIDLAND TX 79701-6536

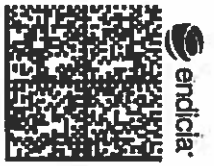
DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3142 42

Kevin K. Leonard
PO BOX 50642
MIDLAND TX 79710-0642

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
6 oz First-Class Mail Flats Rate



071S00777793

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3143 41

J Bar Cane Royalty, LLC
PO BOX 3660
ROSWELL NM 88202-3660

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
6 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3147 54

Mark & Paula McClellan
PO BOX 730
ROSWELL NM 88202-0730

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793

DJR ENERGY, LLC
1600 BROADWAY STE 1960
DENVER CO 80202-4955

USPS CERTIFIED MAIL

9407 1108 9876 5043 3130 23

Heir of Janice P. Campbell
Holton Gale Campbell
PO BOX 11086
MIDLAND TX 79702-8086

US POSTAGE AND FEES PAID
FIRST-CLASS
Sep 03 2019
Mailed from ZIP 80202
8 oz First-Class Mail Flats Rate

071S00777793