

RECEIVED

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MAY 14 2018
FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

5. Lease Serial No. Farmington Field Office NMSF 078359
Bureau of Land Management
6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit of CA/Agreement, Name and/or No.
2. Name of Operator DJR Operating, LLC		8. Well Name and No. Marcus A 3
3a. / C/O A-Plus WS, Farmington, NM 87499	3b. Phone No. (include area code) 505-486-6958	9. API Well No. 30-039-23851
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 600' FNL & 600' FWL, UL - D, Sec. 17, T23N, R6W		10. Field and Pool or Exploratory Area Counselors Gallup Dakota
		11. Country or Parish, State Rio Arriba NEW MEXICO

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once Testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

DJR Operating, LLC requests permission to plug & abandon the subject well per the attached procedure, current and proposed wellbore diagram.

Notify NMOCD 24 hrs
prior to beginning
operations

NMOCD

JUN 01 2018

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

**DISTRICT III
SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Nell Lindenmeyer / Agent for DJR	Title Engineer Tech
Signature	Date 5/14/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title PE	Date 5/31/18
Conditions of approval, if any, are attached. Approval of this notice 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.	Office FEO	

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.

(Instruction on page 2)

NMOCD AV

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PLUG AND ABANDONMENT PROCEDURE

April 30, 2018

Marcus A #3

Counselors Gallup - Dakota

600' FNL, 600' FWL, Section 17, T23N, R6W, Rio Arriba County, New Mexico

API 30-039-23851 / Long _____ / _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class G, mixed at 15.8 ppg with a 1.15 cf/sx yield.

1. This project will use an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes _____, No X _____, Unknown _____.
Tubing: Yes X _____, No _____, Unknown _____, Size 2-3/8" _____, Length 5310' _____.
Packer: Yes _____, No X _____, Unknown _____, Type _____.

1. **NOTE: BLM requires a CBL log to be run on all wells where the cement did not circulate to surface or a CBL log was not previously run. This procedure is prepared with the understanding that it may be modified based on the TOC from the CBL.**
2. **Plug #1 (Gallup perforations and top, 5250' – 5150')**: R/T 4.5" gauge ring or mill to 5250'. RIH and set 4.5" CR at 5250'. Pressure test tubing to 1000#. Circulate hole clean. Attempt to pressure test casing to 800#. If casing does not test then spot or tag subsequent plugs as necessary. Mix and pump 12 sxs Class G cement inside casing to isolate the Gallup interval. PUH.
3. **Plug #2 (Mancos top, 4470' – 4370')**: Mix and pump 12 sxs Class G cement and spot a balanced plug inside casing to cover the Mancos top. PUH.
4. **Plug #3 (Mesaverde top, 2890' – 2790')**: Perforate 3 squeeze holes at 2890'. If casing tested then establish injection rate into squeeze holes. RIH and set 4.5" CR at 2840'. Mix and pump 52 sxs Class G cement, squeeze 40 sxs outside casing and leave 12 sxs inside casing. PUH.
5. **Plug #4 (Chacra top, 2420' – 2320')**: Perforate 3 squeeze holes at 2420'. If casing tested then establish injection rate into squeeze holes. RIH and set 4.5" CR at 2370'. Mix and pump 52 sxs Class G cement, squeeze 40 sxs outside casing and leave 12 sxs inside casing. PUH.

6. **Plug #5 (Pictured Cliffs, Frutiland, Kirtland and Ojo Alamo tops, 1985' – 1290')**: Mix and pump 58 sxs Class G cement and spot a balanced plug inside casing to cover through the Ojo Alamo top. TOH and LD tubing.
7. **Plug #6 (8-5/8" Surface casing shoe and Surface, 320' - Surface)**: Perforate 4 squeeze holes at 320'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 103 sxs Class G cement and pump down the 4.5" casing to circulate good cement out bradenhead. Shut in well and WOC.
8. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and cut off anchors. Restore location per BLM stipulations

Marcus A #3
Current
Counselors Gallup - Dakota

Today's Date: 4/30/18

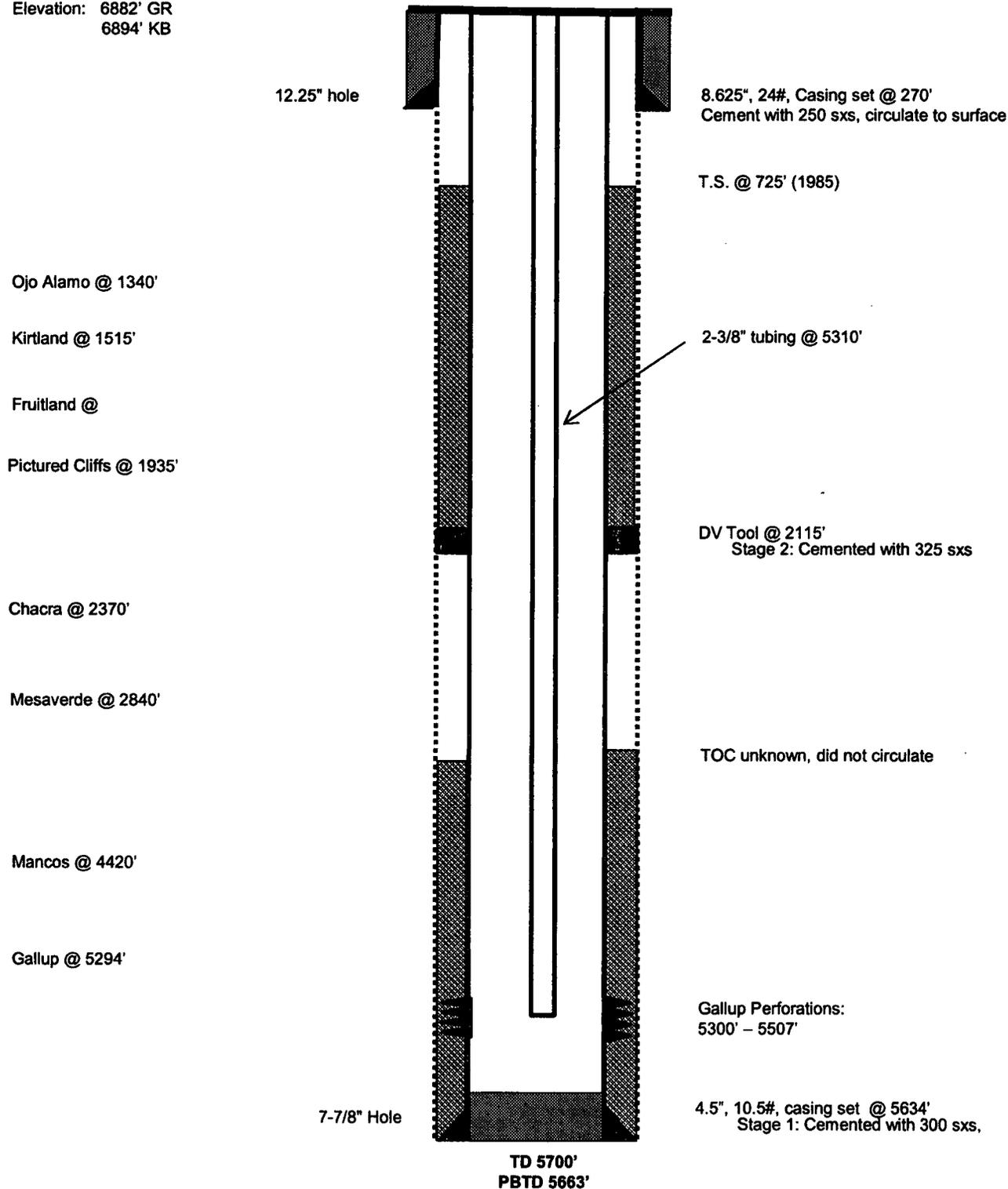
Spud: 9/22/85

Completion: 12/20/85

Elevation: 6882' GR
 6894' KB

600' FNL, 600' FWL, Section 17, T-23-N, R-6-W, Rio Arriba County, NM

Lat: _____ N / Lat: _____ W, API #30-039-23851



Marcus A #3 Proposed P&A

Counselors Gallup - Dakota

600' FNL, 600' FWL, Section 17, T-23-N, R-6-W, Rio Arriba County, NM

Lat: _____ N / Lat: _____ W, API #30-039-23851

Today's Date: 4/30/18

Spud: 9/22/85

Completion: 12/20/85

Elevation: 6882' GR
6894' KB

Plug #6: 320' - 0'
Class G cement, 103 sxs

12.25" hole

8.625", 24#, Casing set @ 270'
Cement with 250 sxs, circulate to surface

Perforate @ 320'

T.S. @ 725' (1985)

Plug #5: 1985' - 1290'
Class G cement, 58 sxs

Ojo Alamo @ 1340'

Kirtland @ 1515'

Fruitland @ 1790'

Pictured Cliffs @ 1935'

DV Tool @ 2115'
Stage 2: Cemented with 325 sxs

Chacra @ 2370'

Set CR @ 2370'

Perforate @ 2420'

Plug #4: 2420' - 2320'
Class G cement, 52 sxs:
12 in and 40 out

Mesaverde @ 2840'

Set CR @ 2840'

Perforate @ 2890'

Plug #3: 2890' - 2790'
Class G cement, 52 sxs:
12 in and 40 out

TOC unknown, did not circulate

Mancos @ 4420'

Plug #2: 4470' - 4370'
Class G cement, 12 sxs

Gallup @ 5294'

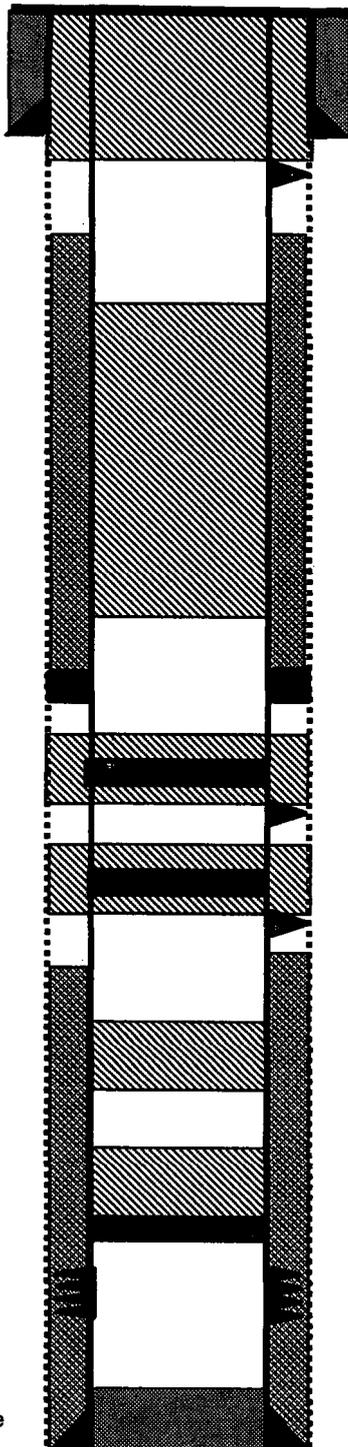
Set CR @ 5250'

Gallup Perforations:
5300' - 5507'

Plug #1: 5250' - 5150'
Class G cement, 12 sxs

7-7/8" Hole

4.5", 10.5#, casing set @ 5634'
Stage 1: Cemented with 300 sxs,



TD 5700'
PBTD 5663'

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

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Marcus A 3

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.

3. The following modifications to your plugging program are to be made:

- a) Set plug #3 (2831 – 2731) ft. inside/outside to cover the Mesaverde top. BLM picks top of Mesaverde at 2781 ft.
- b) Set plug #5 (1990 - 1281) ft. to cover the PC, Fruitland, Kirtland, and Ojo Alamo tops. BLM picks top of Pictured Cliffs at 1940 ft. BLM picks top of Ojo Alamo at 1331 ft.

Operator must run CBL from CR to surface to identify TOC. Submit the electronic copy of the log for verification to the following addresses: jwsavage@blm.gov Brandon.Powell@state.nm.us

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.