Submit 3 Copies To Appropriate District Office

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

Form C-103
June 19, 2008

WELL API NO. **30-045-05423**	
5. Indicate Type of Lease STATE ☒ FEE ☐	
6. State Oil & Gas Lease No. **E-6597**	
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well X☐ Gas Well ☐ Other	7. Lease Name or Unit Agreement Name **Central Bisti Unit**
	8. Well Number **38**
2. Name of Operator **DJR Operating LLC**	9. OGRID Number
3. Address of Operator C/O A Plus WS Farmington, NM	10. Pool name or Wildcat **Bisti Lower Gallup**

4. Well Location
Unit Letter **A** : **990** feet from the **NORTH** line and **1090** feet from the **EAST** line

Section **16** Township **25N** Range **12W** NMPM County **San Juan**

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☒
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER: ☐		OTHER: ☐	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

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

Separate plug #5 and plug the chacra an PC seperately
*CoA: Change plug #3 to 1905-1805 to cover MV top @ 1855
Adjust bottom of plug #7 to 300' to cover Kirtland @ 550'

NMOCD
JUN 26 2018
DISTRICT III

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [signature] TITLE Engineer Tech DATE 6/26/18

Type or print name Nell Lindenmeyer / Agent for DJR E-mail address: nell@apluswell.com PHONE: 505-486-6958

For State Use Only

APPROVED BY: [signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE 6/28/18

Conditions of Approval (if any):

AV

Notify NMOCD 24 hrs prior to beginning operations

PLUG AND ABANDONMENT PROCEDURE

May 8, 2018

Central Bisti Unit 38

Bisti Lower Gallup

990' FNL & 1090' FEL, Sec. 16, T25N, R12W, San Juan County, New Mexico

API 30-045-05423 / Lat: _____ / Long: _____

Note: This procedure is revised based on the approved P&A sundry. All cement volumes use 100% excess outside pipe and 50' excess inside pipe. 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 _4695'.
Packer: Yes____, No__X__, Unknown_____, Type _____.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

4. **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.**

5. **Plug #1 (Gallup perforations and top, 4842' - 3669):** RIH and set 4.5" cement retainer at 4545'. Pressure test tubing to 1000 PSI. Load casing with water and circulate well clean. Circulate well clean. Mix and pump 81 sxs; squeeze 73 sxs Class G cement below CR and 8 sxs above CR to isolate the Gallup perforations and top. PUH.

6. **Plug #2 (Mancos top, 3769' – 3669'):** Mix and pump 12 sxs Class G cement and spot a balanced plug inside casing to cover the Mancos top. PUH and WOC. TIH and tag cement; top off if necessary. PUH

1905-1805

7. **Plug #3 (Mesaverde top, ~~3011' –2911'~~):** Perforate 2 holes at 3011'. RIH with 4.5" cement retainer and set at 2961'. Mix and pump 39 sxs; squeeze 27 sxs Class G cement outside 7" casing and 12 sxs Class G cement inside casing to cover the Mesaverde top. PUH.

8. **Plug #4 (4 ½" Liner Top, 2104' – 2004'):** Perforate 2 holes at 2104'. RIH with 4.5" cement retainer and set at 2074'. Mix and pump 55 sxs; squeeze 27 sxs Class G cement outside 7" casing and 28 sxs Class G cement inside casing to isolate 4.5" liner top. PUH.

9. **Plug #5 (Chacra and Pictured Cliff tops, 1455' – 1074'):** Perforate 2 holes at 1455'. RIH with 7" cement retainer and set at 1405'. Mix and pump 183 sxs; squeeze 100 sxs Class G cement outside 7" casing and 83 sxs Class G cement inside casing to cover the Chacra top. PUH.

10. **Plug #6 (Fruitland top, 818' – 718'):** Perforate 2 holes @ 818'. RIH with 7" cement retainer and set at 768'. Mix and pump 55 sxs; squeeze 27 sxs Class G cement outside 7" casing and 28 sxs Class G cement inside casing to cover the Fruitland top. PUH.

11. **Plug #7 (9-5/8" Surface casing shoe ~~223'~~ 300' - Surface)**: Attempt to pressure test the bradenhead annulus to 300 PSI; note the volume to load. If the BH annulus holds pressure, then establish circulation out casing valve with water. Perforate 2 holes at 223'. Mix approximately 83 sxs Class G cement from 223' to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and attempt to circulate cement to surface filling the casing and annulus from the squeeze holes to surface. Shut in well and WOC.

12. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. Cut off anchors and clean up location. Restore location per BLM stipulations.

CBU #38

Current

So. Lindrith Gallup / Dakota Ext.

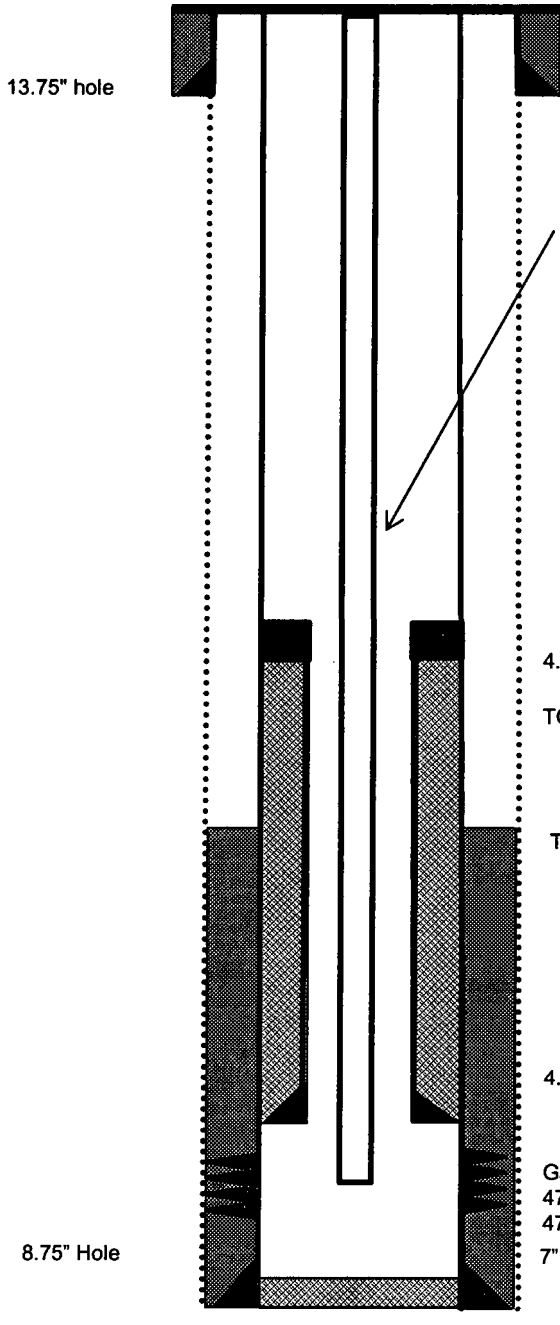
990' FNL, 1090' FEL, Section 16, T-25-N, R-12-W,

San Juan County, NM API #30-045-05423

Today's Date: 5/8/18

Spud: 8/18/55

Completion: 9/13/55



TD 5150'

PBTD 4936'

CBU #38

Proposed P&A

So. Lindrith Gallup / Dakota Ext.

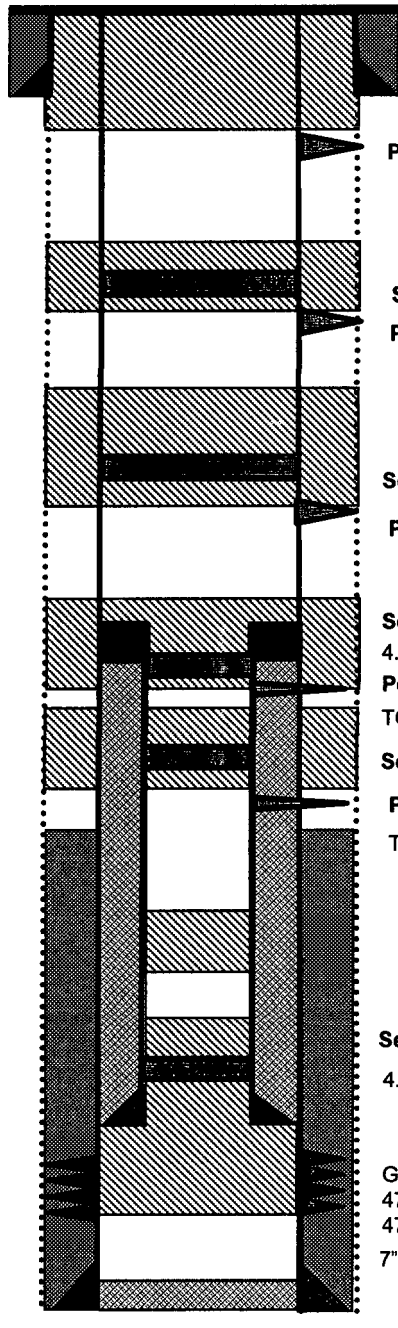
990' FNL, 1090' FEL, Section 16, T-25-N, R-12-W,

San Juan County, NM API #30-045-05423

Today's Date: 5/8/18

Spud: 8/18/55

Completion: 9/13/55



13.75" hole

9.625", 25.4#, Casing set @ 173'
Cement with 125 sxs, circulate to surface

Plug #7: 223' -0 0'
Class G cement, 83 sxs:

Perforate @ 223'

Fruitland @ 768'

Plug #6: 818' – 718'
Class G cement, 55 sxs:
28 inside and 27outside

Set CR @ 768'

Perforate @ 818'

Pictured Cliffs @ 1124'

Chacra @ 1405'

Plug #5: 1455' – 1074'
Class G cement, 183 sxs:
83 inside and 100 outside

Set CR @ 1405'

Perforate @ 1455'

Set CR @ 2074'

4.5" Liner Top at 2054'

Plug #4: 2104' – 2004'
Class G cement, 55 sxs:
28 inside and 27 outside

Perforate @ 2104'

TOC @ unknown

Mesaverde @ 2961'

Set CR @ 2961'

Plug #3: 3011' – 2911'
Class G cement, 39 sxs:
12 inside and 27 outside

Perforate @ 3011'

TOC @ 3540' (TS)

Plug #2: 3769' – 3669'
Class G cement, 12 sxs

Mancos @ 3719'

Plug #1: 4842' – 3669'
Class G cement, 81 sxs:
73 below CR and 8 sxs above

Set CR @ 4545'

4.5" liner casing @ 4555'
Cement with 250 sxs

Gallup @ 4560'

Gallup Perforations:
4725' – 4750'
4760 ' – 4842'

8.75" Hole

7" 20#/ 23# casing set at 4963'
Cement with 250 sxs circulated

TD 5150'
PBTD 4936'