

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

NMNM 018455

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or N

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

San Juan Resources, Inc.

3a. Address

1499 Blake Street, Suite 10C Denver, Colorado

3b. Phone No. (include area code)

303-573-6333

8. Well Name and No.

Atencio #001

9. API Well No.

30-043-20671

10. Field and Pool, or Exploratory Area

Blanco P.C. South

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1652' FNL & 975' FWL; "E" Section 23, T23N, R1W

11. County or Parish, State

Sandoval, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Investigate Well
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (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 recomplete 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 shall 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 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Walsh Engineering on behalf of San Juan Resources will perform an investigation of pressures on the Bradenhead/Casing seals in the wellhead. If leaks are noted during the investigation Teflon packing will be applied and retest.

RECEIVED
AUG 01 2019
DISTRICT III

Notify the agencies of any issues discovered

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Vanessa Fields	Title Agent/ Representative
Signature <i>[Signature]</i>	Date July 30, 2019

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
	Office	

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.

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

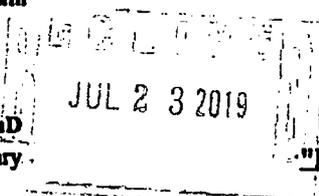
ACCEPTED FOR RECORD
AUG 01 2019
BY: [Signature] FIELD OFFICE

NMOCDA

State Of New Mexico

Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor
Sarah Cottrell Propst
Cabinet Secretary
Todd E. Leahy, JD, PhD
Deputy Cabinet Secretary



Adrienne Sandoval
Division Director



"Response Required - Deadline Enclosed"

*Field Inspection Program
"Preserving the Integrity of Our Environment"*

17-Jul-19

SAN JUAN RESOURCES, INC.
1499 Blake St, #10C
Denver, CO 80202

LETTER OF VIOLATION - Field Inspection

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

[30-043-20671] ATENCIO #001

OGRID: 20208

E-32-23N-01W 1653 FNL 976 FWL

Inspection Date	Type Inspection	Inspector	Corrective Action Due By	Inspection No.
7/31/2019	Operator Updates	[MPK] Monica Kuehling	10/1/2019	IMP1918439066

Violations:

Rule

19.15.16.9 Sealing Off Strata

Violation

Detection of Deficient Mechanical Integrity

Comment:

gas appears to be the same on bradenhead and production casing - need to find source of gas within 90 days and fix - (October 3, 2019)

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,

Monica Kuehling
Aztec OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.