

Well Name: NORTH ALAMITO UNIT	Well Location: T22N / R8W / SEC 1 / NESE /	County or Parish/State:
Well Number: 408H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM117143	Unit or CA Name: /1/NORTH ALAMITO UNIT	Unit or CA Number: NMNM135229A
US Well Number: 3004538215	Well Status: Drilling Well	Operator: DJR OPERATING LLC

Notice of Intent

Sundry ID: 2642234

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 11/01/2021

Time Sundry Submitted: 08:24

Date proposed operation will begin: 11/01/2021

Procedure Description: DJR Operating, LLC requests permission to Plug & Abandon the subject well according to the attached Procedure, Current & Proposed Wellbore Diagram after completion operations of the 3 offset wells on this pad. - No cement circulated to surface on the intermediate casing string for the subject well. A CBL was ran on 10/15/21 showing the top of cement at 4300' MD. The lateral was not drilled & the Gallup formation is totally isolated with cement. - Offset fracs will be 1450 ft away & have total isolation of the Mancos formation. - DJR will continuously monitor the Bradenhead & 7 inch casing string on the subject well during offset completion operations.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

NAU_408H_Proposed_WBD_20211101082406.pdf

NAU_408H_PxA_Procedure_20211101082406.pdf

NAU_408H_Current_WBD_20211101082406.pdf

Well Name: NORTH ALAMITO UNIT

Well Location: T22N / R8W / SEC 1 / NESE /

County or Parish/State:

Well Number: 408H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM117143

Unit or CA Name: /1/NORTH ALAMITO UNIT

Unit or CA Number: NMNM135229A

US Well Number: 3004538215

Well Status: Drilling Well

Operator: DJR OPERATING LLC

Conditions of Approval

Specialist Review

General_Requirement_PxA_20211102115821.pdf

2642234_NOIA_408H_3004538215_KR_11022021_20211102115748.pdf

Operator Certification

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: SHAW-MARIE FORD

Signed on: NOV 01, 2021 08:24 AM

Name: DJR OPERATING LLC

Title: Regulatory Specialist

Street Address: 1 Road 3263

City: Aztec

State: NM

Phone: (505) 632-3476

Email address: sford@djrlc.com

Field Representative

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647742

BLM POC Email Address: krennick@blm.gov

Disposition: Approved

Disposition Date: 11/02/2021

Signature: Kenneth Rennick



DJR Operating LLC
Plug & Abandon Procedure
 October 27, 2021

Well:	North Alamito Unit 408H	API:	30-045-38215
Location:	2046' FSL & 557' FEL	Field:	Gallup
Sec,T, R:	Sec 1 T22N, R8W	Elevation:	GL: 6917'
Cnty/State:	San Juan, New Mexico	By:	Aztec Well Servicing
Lat/Long:	36.137066, -107.626366		

Objective:

Permanently plug & abandon the well from 5399' to surface containing 6 cement plugs.

Note:

All cement volumes use 100% excess outside casing and 50' excess inside pipe. Stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Class G neat yield or equivalent. If casing pressure tests tagging plugs will not be required.

Prior to Rig:

1. Notify BLM & NMOCD
2. Note: verify all cement volumes based on actual slurry to be pumped.
3. See attached COA's from BLM & NMOCD.

Procedure:

1. MIRU well servicing rig and cement equipment.
2. Check casing, tubing, and BH pressures.
3. Removed existing piping on casing valve. RU blow lines from casing valves and begin blowing down casing pressure. Kill well as necessary. Ensure well is dead or on a vacuum.
4. ND wellhead and NU BOP. Function test BOP. RU floor and 2-3/8" handling tools.
5. PU and tally 2-3/8" workstring and RIH open ended to 4846'
6. Roll the hole with fresh water.
7. **Plug #1, 4846' - 4577' (GallupTops: 4796', 4694', 4627')** Mix & pump 60 sxs of class G cement and spot a balanced plug to cover the Gallup tops. PU and reverse circulate tubing clean.
8. WOC then RIH and tag plug to confirm TOC.
9. Pressure test casing to 500psi. If casing does not test, then spot or tag subsequent plugs as appropriate. WOC to be determined upon pressure test.
10. LD tubing to 3905'.
11. **Plug #2, 3905 - 3805' (MancosTop: 3855')** Mix & pump 29 sxs of class G cement and spot a balanced plug to cover the Mancos top. PU and reverse circulate tubing clean.



DJR Operating LLC
Plug & Abandon Procedure
 October 27, 2021

Well:	North Alamito Unit 408H	API:	30-045-38215
Location:	2046' FSL & 557' FEL	Field:	Gallup
Sec,T, R:	Sec 1 T22N, R8W	Elevation:	GL: 6917'
Cnty/State:	San Juan, New Mexico	By:	Aztec Well Servicing
Lat/Long:	36.137066, -107.626366		

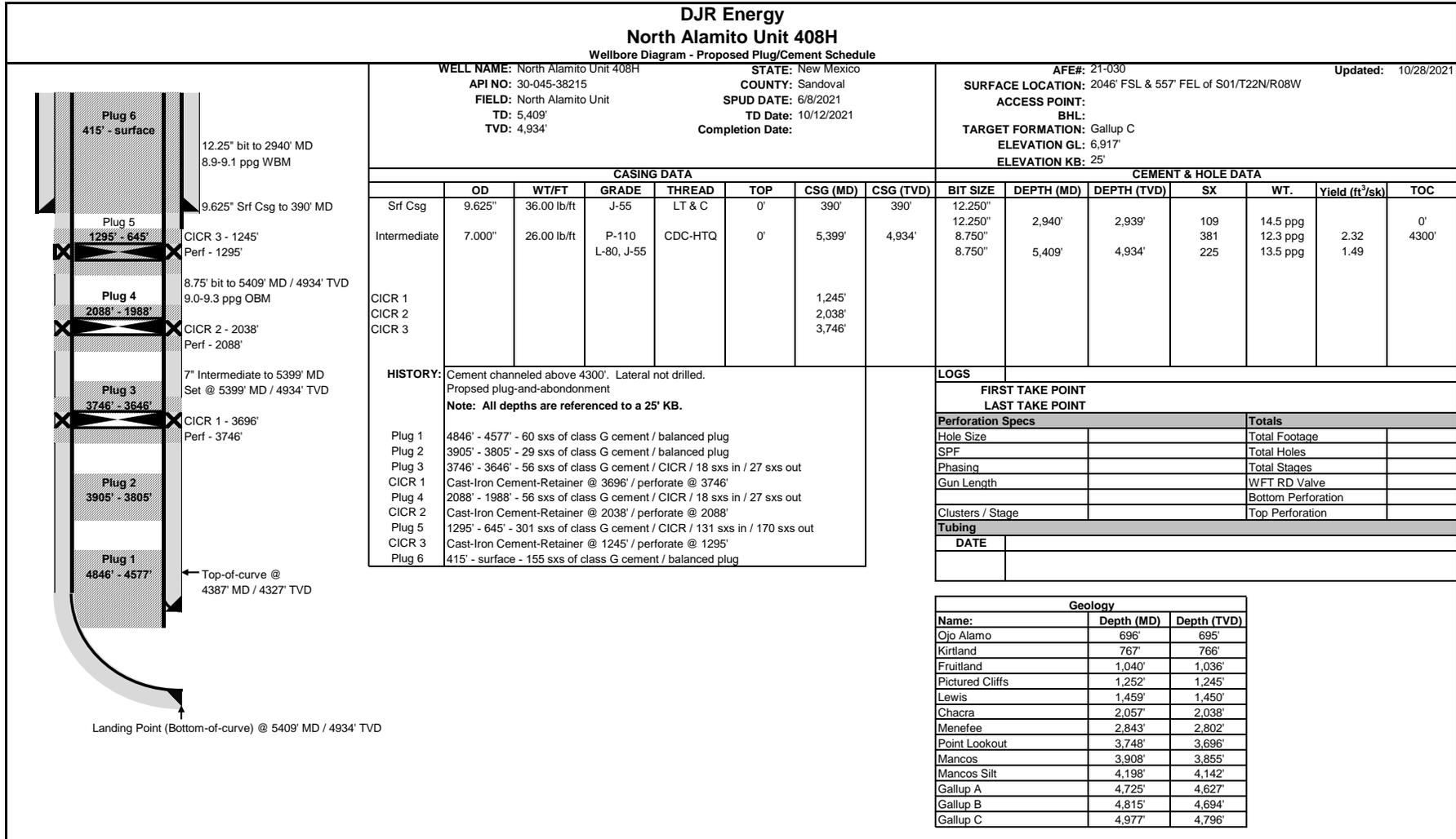
12. LD tubing to 3696' then TOOH.
13. RU WL run gauge ring and perforate @ 3746'. RD WL.
14. TIH with 7" CICR and set @ 3696'.
15. **Plug #3, 3746' – 3646' (Mesaverde Top: 3696')** Mix & pump 56 sxs of Class G cement and pump an inside/outside plug squeezing 27 sxs outside and leaving 18 sxs inside to cover the Mesaverde top. PU and reverse circulate tubing clean.
16. LD tubing to 2038' then TOOH.
17. RU WL and perforate @ 2088'. RD WL.
18. **Plug #4, 2088' – 1988' (Chacra Top: 2038')** Mix & pump 56 sxs of Class G cement and pump an inside/outside plug squeezing 27 sxs outside and leaving 18 sxs inside to cover the Chacra top. PU and reverse circulate tubing clean.
19. LD tubing to 1245' then TOOH.
20. RU WL and perforate @ 1295'.
21. **Plug #5, 1295' – 645' (Pictured Cliffs Top: 1245' Fruitland Top: 1036' Kirtland Top: 766' Ojo Alamo Top: 695')** Mix & pump 301 sxs of Class G cement and pump an inside/outside plug squeezing 170 sxs outside and leaving 131 sxs inside to cover the PC, FC and Kirtland tops. PU and reverse circulate tubing clean.
22. LD tubing.
23. RU WL and perforate @ 415'. RD WL.
24. **Plug #6, 415' - surface (Surface Shoe: 365')** Pump fresh water down casing and establish injection rate up BH. Mix & pump approximately 155 sxs of Class G cement down 7" casing and back up BH until good cement returns to surface. Top off as needed.
25. ND BOP and cut off wellhead below surface casing flange per regulation. Top off w/cement if needed. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

DJR Energy North Alamito Unit 408H

Wellbore Diagram

	WELL NAME: North Alamito Unit 408H API NO: 30-045-38215 FIELD: North Alamito Unit TD: 5,409' TVD: 4,934'				STATE: New Mexico COUNTY: Sandoval SPUD DATE: 6/8/2021 TD Date: 10/12/2021 Completion Date:				AFE#: 21-030 SURFACE LOCATION: 2046' FSL & 557' FEL of S01/T22N/R08W ACCESS POINT: BHL: TARGET FORMATION: Gallup C ELEVATION GL: 6,917' ELEVATION KB: 25'				Updated: 10/26/2021		
	CASING DATA								CEMENT & HOLE DATA						
	Srf Csg	9.625"	36.00 lb/ft	J-55	LT & C	0'	390'	390'	12.250"						
Intermediate	7.000"	26.00 lb/ft	P-110 L-80, J-55	CDC-HTQ	0'	5,399'	4,934'	12.250"	2,940'	2,939'	109	14.5 ppg		0'	
								8.750"			381	12.3 ppg	2.32	4300'	
								8.750"	5,409'	4,934'	225	13.5 ppg	1.49		
HISTORY: Cement channeled above 4300'. Lateral not drilled.								LOGS		CBL					

Geology		
Name:	Depth (MD)	Depth (TVD)
Ojo Alamo	696'	695'
Kirtland	767'	766'
Fruitland	1,040'	1,036'
Pictured Cliffs	1,252'	1,245'
Lewis	1,459'	1,450'
Chacra	2,057'	2,038'
Menefee	2,843'	2,802'
Point Lookout	3,748'	3,696'
Mancos	3,908'	3,855'
Mancos Silt	4,198'	4,142'
Gallup A	4,725'	4,627'
Gallup B	4,815'	4,694'
Gallup C	4,977'	4,796'



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

AFMSS 2 Sundry ID 2642234

Attachment to notice of Intention to Abandon

Well: North Alamito Unit 408H

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) Add an inside/outside plug to cover 50 feet above and below the Cliff House top at 2710 feet.

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.

K. Rennick 11/02/2021

**GENERAL REQUIREMENTS FOR
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES
FARMINGTON FIELD OFFICE**

- 1.0 The approved plugging plans may contain variances from the following minimum general requirements.
- 1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.
 - 1.2 Requirements may be added to address specific well conditions.
- 2.0 Materials used must be accurately measured. (densometer/scales)
- 3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.
- 3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.
- 4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
- 4.1 The cement shall be as specified in the approved plugging plan.
 - 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.3 Surface plugs may be no less than 50' in length.
 - 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.
 - 4.6 **A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.**

5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.

5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.

5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.

5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. **If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.**

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.

6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H₂S.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.

9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.

(October 2012 Revision)

BLM FLUID MINERALS P&A Geologic Report

Date Completed: 11/2/2021

Well No. North Alamito Unit #408H (API# 30-045-38215)	Location	2046	FSL	&	557	FEL
Lease No. NMNM-117143	Sec. 01	T22N			R08W	
Operator DJR Operating, LLC	County	San Juan		State	New Mexico	
Total Depth 5409' (MD) 4934' (TVD)	PBTD	Formation Mancos (Gallup)				
Elevation (GL) 6917'	Elevation (KB) 6942'					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					
Nacimiento Fm	Surface	695			Fresh water sands
Ojo Alamo Ss	695	766			Aquifer (fresh water)
Kirtland Shale	766	1036			
Fruitland Fm	1036	1245			Coal/Gas/Possible water
Pictured Cliffs Ss	1245	1450			Gas
Lewis Shale	1450	2038			
Chacra (La Ventana)	2038	2710			
Cliff House Ss	2710	2802			Water/Possible gas
Menefee Fm	2802	3696			Coal/Ss/Water/Possible O&G
Point Lookout Ss	3696	3855			Probable water/Possible O&G
Mancos Shale	3855	4627			
Gallup	4627	PBTD			O&G/Water
Greenhorn					
Graneros Shale					
Dakota Ss					O&G/Water

Remarks:

P & A

- All top estimates are TVD.
- No well log available for subject well.
- Please add an inside/outside plug to cover the Cliff House top @ 2710'.
- The plugs proposed in the P&A procedure will adequately protect any freshwater sands in this well bore.
- Lateral was not drilled; intermediate casing string cement did not circulate to surface (channeled above 4300').

Reference Wells:

1) **Formation Tops**

Epic Energy
Federal C # 3
400 FSL, 2240' FWL
Sec. 31, T23N, R7W
GL 6830' KB 6842'

2) **Formation Tops**

Same

Prepared by: *Chris Wenman*

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

COMMENTS

Action 59354

COMMENTS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 59354
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

COMMENTS

Created By	Comment	Comment Date
kpickford	KP GEO Review 11/4/2021	11/4/2021

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 59354

CONDITIONS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 59354
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	11/4/2021
kpickford	Adhere to BLM approved plugs	11/4/2021