

Submit a Copy To Appropriate District
 Office
 District I – (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II – (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III – (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV – (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM
 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-045-38185
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. Administrative Order: SWD-2402
7. Lease Name or Unit Agreement Name North Alamito Unit SWD
8. Well Number #001
9. OGRID Number 371838
10. Pool name or Wildcat SWD; Entrada
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6939' GL

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 Gas Well Other

2. Name of Operator
DJR Operating, LLC

3. Address of Operator
1 Road 3263, Aztec, NM 87410

4. Well Location:
Unit Letter: A. **908** feet from the **North** line and **1176** feet from the **East** line
Section: 01 Township: 22N Range: 08W NMPM: San Juan County

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input checked="" type="checkbox"/>		OTHER: <input checked="" type="checkbox"/>	

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

DJR Operating, LLC (DJR) received administrative approval to dispose of oil field produced water from wells within and limited to DJRs North Alamito Unit by underground injection into the Entrada Sandstone formation from 6919' to 7113' pursuant to Order R-14081 (as amended). DJR respectfully requests a non major modification of said order by introduction of a new source of disposal fluids.

The new source of disposal fluids to be injected into the North Alamito Unit SWD #001 will be oil field produced water from DJR operated wells in the San Juan Basin from the Fruitland Coal, Pictured Cliffs, Mancos, and Gallup Dakota formations. The produced water from these formations is compatible with the water in the disposal zone of the North Alamito Unit SWD #001. Copies of produced water samples from these formations are attached. Also attached is a Water Compatibility Certification and a copy of the Agreement between DJR and the New Mexico State Land Office authorizing DJR to inject oil field produced water from areas outside the North Alamito Unit as specified in the terms of the Agreement.

Spud Date: 09/29/2020 Rig Release Date: 10/12/2020

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

SIGNATURE Shaw-Marie Ford TITLE Regulatory Specialist DATE 01/21/22

Type or print name Shaw-Marie Ford E-mail address: sford@djrlc.com PHONE: 505-716-3297

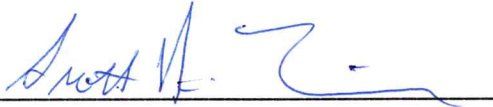
For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

Certification of Water Compatibility

I, Scott Lindsay, as a Production Engineer working for DJR Operating, LLC have reviewed the lab results of the water analyses from the formations of produced water which will be delivered to the North Alamito Unit SWD #1 (API 30-045-3815) for disposal. To the best of my knowledge, it appears that the new sources of produced water will not degrade the injection interval and will be compatible with waters found in the injection interval of the Entrada formation.



Scott Lindsay, Production Engineer

1/19/22

Date

18092549_v1

Produced Water Samples

1. Lybrook M35-2308-01H/02H

UL M & N, Section 35-23N-8W

API: 030-45-35526 – 01H

API: 030-45-35527 – 02H

2. Lybrook O35-2308-01H/02H

UL O, Section 35-23N-8W

API: 030-45-35525-01H

API: 030-45-35524-02H

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



Units of Measurement: **Standard**

Water Analysis Report

Production Company: **DJR Operating, LLC**
 Well Name: **LYBROOK M35-2308-01H/02H**
 Sample Point: **SEPARATOR**
 Sample Date: **4/9/2019**
 Sample ID: **WA-385502**

Sales Rep: **Craig Smith**
 Lab Tech: **Amanda Harvey**

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

Sample Specifics		Analysis @ Properties in Sample Specifics			
		Cations	mg/L	Anions	mg/L
Test Date:	4/19/2019	Sodium (Na):	9648.38	Chloride (Cl):	15500.00
System Temperature 1 (°F):	50	Potassium (K):	28.17	Sulfate (SO4):	16.00
System Pressure 1 (psig):	15	Magnesium (Mg):	42.98	Bicarbonate (HCO3):	335.50
System Temperature 2 (°F):	200	Calcium (Ca):	280.55	Carbonate (CO3):	
System Pressure 2 (psig):	200	Strontium (Sr):	72.84	Hydroxide (HO):	
Calculated Density (g/ml):	1.0152	Barium (Ba):	23.43	Acetic Acid (CH3COO)	
pH:	7.00	Iron (Fe):	84.00	Propionic Acid (C2H5COO)	
Calculated TDS (mg/L):	26049.70	Zinc (Zn):	0.96	Butanoic Acid (C3H7COO)	
CO2 in Gas (%):		Lead (Pb):	0.00	Isobutyric Acid ((CH3)2CHCOO)	
Dissolved CO2 (mg/L):	99.00	Ammonia (NH3):		Fluoride (F):	
H2S in Gas (%):		Manganese (Mn):	1.38	Bromine (Br):	
H2S in Water (mg/L):	0.00	Aluminum (Al):	0.04	Silica (SiO2):	15.51
Tot. Suspended Solids (mg/L):		Lithium (Li):	1.23	Calcium Carbonate (CaCO3):	
Corrosivity (Langlier Sat. Indx)	0.00	Boron (B):	3.05	Phosphates (PO4):	1.50
Alkalinity:		Silicon (Si):	7.25	Oxygen (O2):	

Notes:

(PTB = Pounds per Thousand Barrels)

Temp (°F)	PSI	Calcium Carbonate		Barium Sulfate		Iron Sulfide		Iron Carbonate		Gypsum CaSO4 2H2O		Celestite SrSO4		Halite NaCl		Zinc Sulfide	
		SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB
200.00	200.00	0.62	26.38	0.21	2.97	0.00	0.00	2.01	54.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
183.00	179.00	0.50	20.91	0.25	3.42	0.00	0.00	1.89	53.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
167.00	159.00	0.38	15.78	0.30	4.00	0.00	0.00	1.77	51.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
150.00	138.00	0.28	11.13	0.36	4.68	0.00	0.00	1.65	49.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
133.00	118.00	0.18	6.99	0.44	5.46	0.00	0.00	1.53	47.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
117.00	97.00	0.09	3.36	0.53	6.32	0.00	0.00	1.40	44.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	77.00	0.01	0.26	0.65	7.24	0.00	0.00	1.28	41.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
83.00	56.00	0.00	0.00	0.78	8.19	0.00	0.00	1.15	38.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
67.00	36.00	0.00	0.00	0.95	9.14	0.00	0.00	1.03	34.97	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
50.00	15.00	0.00	0.00	1.14	10.06	0.00	0.00	0.93	32.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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 Vernal, UT 84078

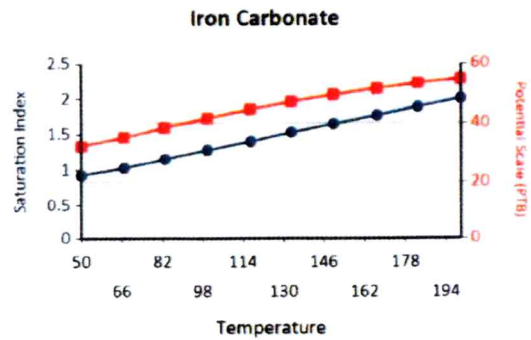
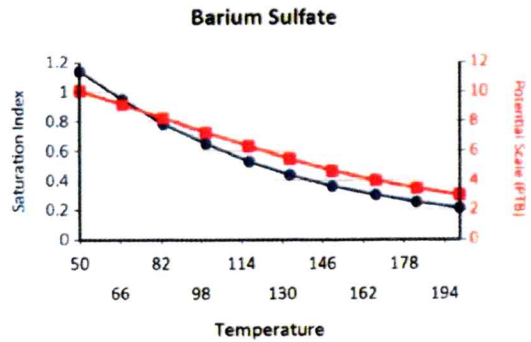
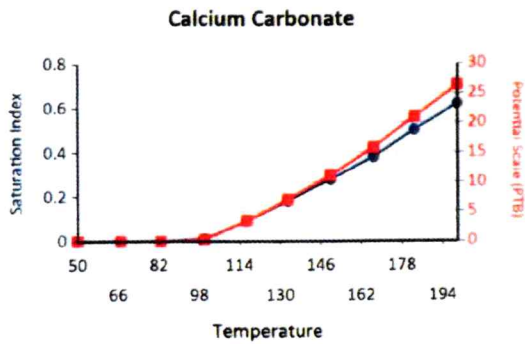


Water Analysis Report

Temp (°F)	PSI	Hemihydrate CaSO4~0.5H2O		Anhydrate CaSO4		Calcium Fluoride		Zinc Carbonate		Lead Sulfide		Mg Silicate		Ca Mg Silicate		Fe Silicate	
		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	0.08	0.11	0.00	0.00	0.28	1.62	0.00	0.00	7.49	34.44
183.00	179.00	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	6.78	33.06
167.00	159.00	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	6.09	31.01
150.00	138.00	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	5.41	28.37
133.00	118.00	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	4.75	25.32
117.00	97.00	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	4.11	22.00
100.00	77.00	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	3.50	18.62
83.00	56.00	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	2.93	15.35
67.00	36.00	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	2.41	12.41
50.00	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	2.06	10.45

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

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

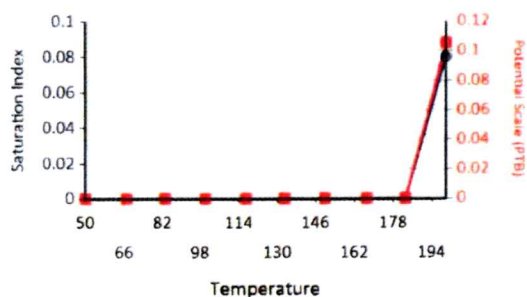


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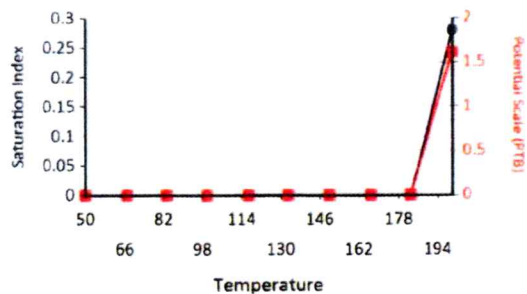
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Water Analysis Report

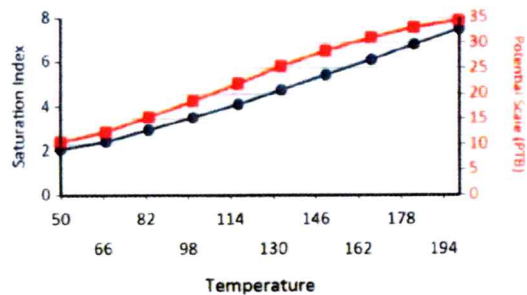
Zinc Carbonate



Mg Silicate



Fe Silicate



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



Units of Measurement: Standard

Water Analysis Report

Production Company: DJR Operating, LLC
 Well Name: LYBROOK O35-2308-01H/02H
 Sample Point: SEPARATOR
 Sample Date: 4/9/2019
 Sample ID: WA-385478

Sales Rep: Craig Smith
 Lab Tech: Amanda Harvey

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

Sample Specifics		Analysis @ Properties in Sample Specifics			
		Cations		Anions	
		mg/L		mg/L	
Test Date:	4/19/2019	Sodium (Na):	13492.45	Chloride (Cl):	21500.00
System Temperature 1 (°F):	50	Potassium (K):	47.70	Sulfate (SO4):	0.00
System Pressure 1 (psig):	15	Magnesium (Mg):	56.95	Bicarbonate (HCO3):	335.50
System Temperature 2 (°F):	200	Calcium (Ca):	323.89	Carbonate (CO3):	
System Pressure 2 (psig):	200	Strontium (Sr):	89.20	Hydroxide (OH):	
Calculated Density (g/ml):	1.0218	Barium (Ba):	29.22	Acetic Acid (CH3COO)	
pH:	7.30	Iron (Fe):	13.86	Propionic Acid (C2H5COO)	
Calculated TDS (mg/L):	35921.58	Zinc (Zn):	0.10	Butanoic Acid (C3H7COO)	
CO2 in Gas (%):		Lead (Pb):	0.00	Isobutyric Acid ((CH3)2CHCOO)	
Dissolved CO2 (mg/L):	99.00	Ammonia NH3:		Fluoride (F):	
H2S in Gas (%):		Manganese (Mn):	0.45	Bromine (Br):	
H2S in Water (mg/L):	0.00	Aluminum (Al):	0.05	Silica (SiO2):	32.26
Tot. Suspended Solids (mg/L):		Lithium (Li):	1.68	Calcium Carbonate (CaCO3):	
Corrosivity (Langlier Sat. Indx)	0.00	Boron (B):	5.64	Phosphates (PO4):	0.98
Alkalinity:		Silicon (Si):	15.08	Oxygen (O2):	

Notes:

(PTB = Pounds per Thousand Barrels)

Temp (°F)	PSI	Calcium Carbonate		Barium Sulfate		Iron Sulfide		Iron Carbonate		Gypsum CaSO4.2H2O		Celestite SrSO4		Halite NaCl		Zinc Sulfide	
		SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB	SI	PTB
200.00	200.00	0.87	30.69	0.00	0.00	0.00	0.00	1.38	9.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
183.00	179.00	0.76	26.00	0.00	0.00	0.00	0.00	1.29	9.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
167.00	159.00	0.66	21.66	0.00	0.00	0.00	0.00	1.18	8.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
150.00	138.00	0.57	17.81	0.00	0.00	0.00	0.00	1.08	8.57	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
133.00	118.00	0.48	14.40	0.00	0.00	0.00	0.00	0.97	8.16	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
117.00	97.00	0.40	11.44	0.00	0.00	0.00	0.00	0.86	7.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	77.00	0.33	8.93	0.00	0.00	0.00	0.00	0.74	7.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
83.00	56.00	0.27	6.86	0.00	0.00	0.00	0.00	0.62	6.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
67.00	36.00	0.21	5.24	0.00	0.00	0.00	0.00	0.51	5.32	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
50.00	15.00	0.18	4.41	0.00	0.00	0.00	0.00	0.41	4.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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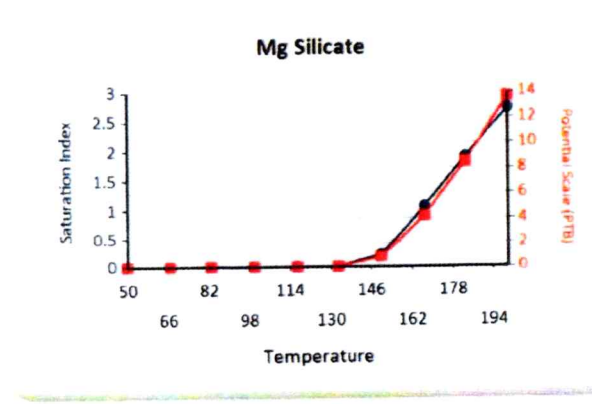
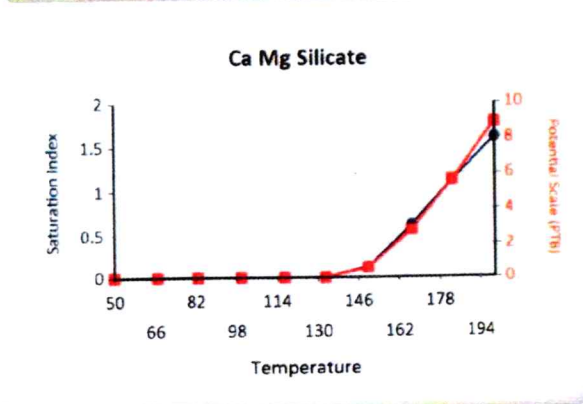
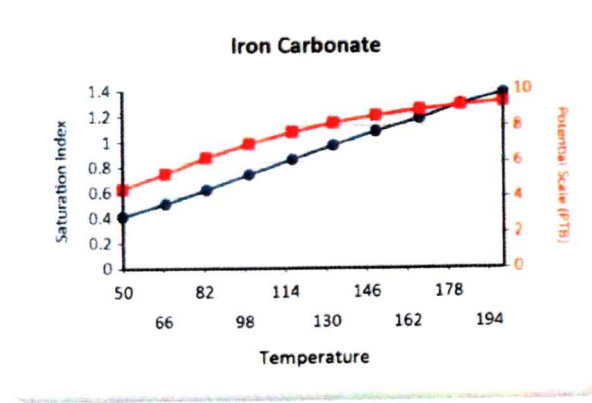
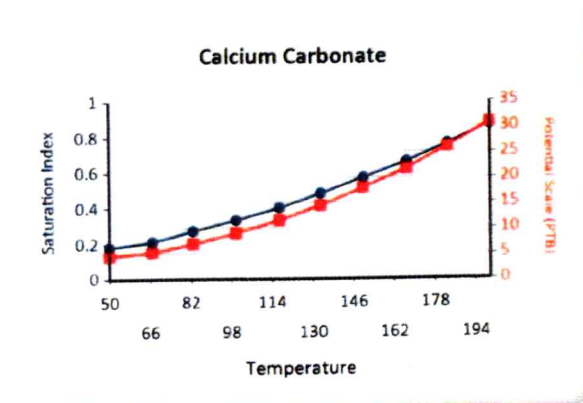


Water Analysis Report

Temp (°F)	PSI	Hemihydrate CaSO4~0.5H2O		Anhydrate CaSO4		Calcium Fluoride		Zinc Carbonate		Lead Sulfide		Mg Silicate		Ca Mg Silicate		Fe Silicate	
		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	0.00	0.00	0.00	0.00	2.73	13.64	1.61	8.91	7.12	10.52
183.00	179.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.90	8.47	1.12	5.60	6.51	10.34
167.00	159.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.06	4.20	0.62	2.80	5.91	10.07
150.00	138.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.22	0.81	0.12	0.55	5.31	9.67
133.00	118.00	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	4.72	9.11
117.00	97.00	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	4.14	8.37
100.00	77.00	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	3.57	7.48
83.00	56.00	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	3.04	6.48
67.00	36.00	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	2.55	5.48
50.00	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	2.21	4.76

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

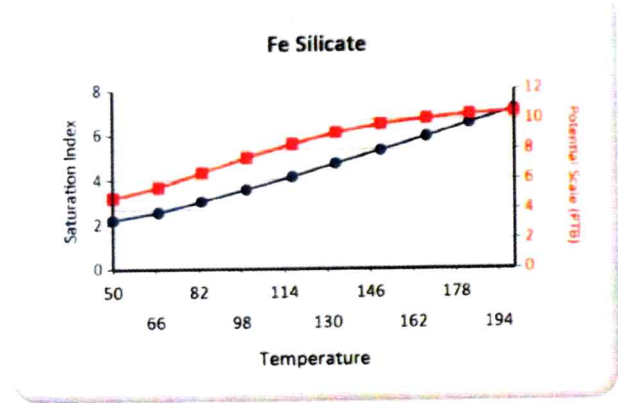
These scales have positive scaling potential under final temperature and pressure: Calcium Carbonate Iron Carbonate Fe Silicate



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

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Water Analysis Report





dzufelt@greenanalytical.com p: 970.247.4220 f: 970.247.4227 75 Suttle Street Durango, CO 81303

www.GreenAnalytical.com

DJR Operating 1 Road 3263 Aztec NM, 87410	Project: API Project Name / Number: [none] Project Manager: Lansa Farrell	Reported: 10/27/20 15:48
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Notes and Definitions

- U Estimated concentration. Analyte concentration was less than the MDL.
- B3 Target analyte detected in method blank or continuing calibration blank. Reporting limit elevated to account for blank result.
- DET Analyte DETECTED
- ND Analyte NOT DETECTED at or above the reporting limit
- NR Not Reported
- dry Sample results reported on a dry weight basis
*Results reported on as received basis unless designated as dry.
- RPD Relative Percent Difference
- LCS Laboratory Control Sample (Blank Spike)
- RL Report Limit
- MDL Method Detection Limit

Green Analytical Laboratories

Debbie Zufelt

Debbie Zufelt, Reports Manager

The results in this report apply to the samples analyzed in accordance with the chain of custody document. This analytical report must be reproduced in its entirety. In no event shall Green Analytical Laboratories be liable for incidental or consequential damages. GALs liability, and clients exclusive remedy for any claim arising, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever, shall be deemed waived unless made in writing and received within thirty days after completion of the applicable service.



dzufelt@greenanalytical.com p: 970.247.4220 f: 970.247.4227 75 Suttle Street Durango, CO 81303

www.GreenAnalytical.com

DJR Operating 1 Road 3263 Aztec NM. 87410	Project: API Project Name / Number: [none] Project Manager: Lansa Farrell	Reported: 10/27/20 15:48
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ANALYTICAL REPORT FOR SAMPLES

Sample ID	Laboratory ID	Matrix	Date Sampled	Date Received	Notes
Fruitland Coal	2010242-01	Water	10/22/20 10:24	10/22/20 15:08	
Gallup Dakota	2010242-02	Water	10/22/20 12:33	10/22/20 15:08	
Pictured Cliffs	2010242-03	Water	10/22/20 11:56	10/22/20 15:08	

Green Analytical Laboratories

Debbie Zufelt, Reports Manager

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dzufelt@greenanalytical.com p: 970.247.4220 f: 970.247.4227 75 Suttle Street Durango, CO 81303

www.GreenAnalytical.com

DJR Operating 1 Road 3263 Aztec NM, 87410	Project: API Project Name / Number: [none] Project Manager: Lanssa Farrell	Reported: 10/27/20 15:48
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Fruitland Coal

2010242-01 (Water)

Analyte	Result	RI	MDL	Units	Dilution	Analyzed	Method	Notes	Analyst
General Chemistry									
Alkalinity, Bicarbonate as CaCO3*	710	10.0	7.16	mg/L	10	10/26/20 14:00	2320 B		VJW
Alkalinity, Carbonate as CaCO3*	<10.0	10.0		mg/L	10	10/26/20 14:00	2320 B		VJW
Alkalinity, Hydroxide as CaCO3*	<10.0	10.0		mg/L	10	10/26/20 14:00	2320 B		VJW
Alkalinity, Total as CaCO3*	710	10.0	7.16	mg/L	10	10/26/20 14:00	2320 B		VJW
Chloride*	7940	500	44.3	mg/L	500	10/26/20 13:20	EPA300.0		AES
Conductivity*	26700	1.00		umho/cm @ 25.0°C	1	10/23/20 11:05	2510 B		VJW
pH*	7.60			pH Units	1	10/23/20 11:05	EPA150.1		VJW
Resistivity	37.4			ohm/cm	1	10/23/20 11:05	2510 B		VJW
Total Dissolved Solids*	14900	40.0		mg/L	4	10/23/20 17:15	EPA160.1		VJW
Specific Gravity	1.010	0.8000		No Unit	1	10/26/20 09:50	ASTM D1429-03		VJW
Sulfate*	<7.62	50.0	7.62	mg/L	50	10/27/20 03:22	EPA300.0	U	AES
Total Recoverable Metals by ICP (E200.7)									
Iron*	<5.00	5.00	0.813	mg/L	50	10/27/20 12:46	EPA200.7	B3	AES
Dissolved Metals by ICP									
Hardness	289	33.1	6.90	mg/L	50	10/27/20 12:15	2340 B		AES
Barium*	1.27	1.00	0.078	mg/L	50	10/27/20 12:16	EPA200.7		AES
Calcium*	76.6	5.00	0.829	mg/L	50	10/27/20 12:15	EPA200.7		AES
Iron*	<2.50	2.50	0.920	mg/L	50	10/27/20 12:15	EPA200.7		AES
Magnesium*	23.7	5.00	1.17	mg/L	50	10/27/20 12:15	EPA200.7		AES
Manganese*	<1.00	1.00	0.078	mg/L	50	10/27/20 12:15	EPA200.7		AES
Potassium*	<50.0	50.0	6.51	mg/L	50	10/27/20 12:15	EPA200.7		AES
Sodium*	4780	50.0	5.03	mg/L	50	10/27/20 12:15	EPA200.7		AES
Strontium*	<5.00	5.00	0.208	mg/L	50	10/27/20 12:15	EPA200.7		AES
Cation/Anion Balance	-5.24								

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DJR Operating 1 Road 3263 Aztec NM, 87410	Project: API Project Name / Number: [none] Project Manager: Lansa Farrell	Reported: 10/27/20 15:48
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Gallup Dakota

2010242-02 (Water)

Analyte	Result	RL	MDL	Units	Dilution	Analyzed	Method	Notes	Analyst
General Chemistry									
Alkalinity, Bicarbonate as CaCO3*	710	10.0	7.16	mg/L	10	10/26/20 14:00	2320 B		VJW
Alkalinity, Carbonate as CaCO3*	<10.0	10.0		mg/L	10	10/26/20 14:00	2320 B		VJW
Alkalinity, Hydroxide as CaCO3*	<10.0	10.0		mg/L	10	10/26/20 14:00	2320 B		VJW
Alkalinity, Total as CaCO3*	710	10.0	7.16	mg/L	10	10/26/20 14:00	2320 B		VJW
Chloride*	8970	500	44.3	mg/L	500	10/26/20 13:39	EPA300.0		AES
Conductivity*	30000	1.00		umho/cm @ 25.0°C	1	10/23/20 11:05	2510 B		VJW
pH*	7.21			pH Units	1	10/23/20 11:05	EPA150.1		VJW
Resistivity	33.3			ohm/cm	1	10/23/20 11:05	2510 B		VJW
Total Dissolved Solids*	17400	40.0		mg/L	4	10/23/20 17:15	EPA160.1		VJW
Specific Gravity	1.010	0.8000		No Unit	1	10/26/20 09:50	ASTM D1429-03		VJW
Sulfate*	393	50.0	7.62	mg/L	50	10/27/20 03:41	EPA300.0		AES
Total Recoverable Metals by ICP (E200.7)									
Iron*	25.0	5.00	0.813	mg/L	50	10/27/20 12:53	EPA200.7	B3	AES
Dissolved Metals by ICP									
Hardness	423	33.1	6.90	mg/L	50	10/27/20 12:18	2340 B		AES
Barium*	<1.00	1.00	0.078	mg/L	50	10/27/20 12:19	EPA200.7		AES
Calcium*	119	5.00	0.829	mg/L	50	10/27/20 12:18	EPA200.7		AES
Iron*	19.5	2.50	0.920	mg/L	50	10/27/20 12:18	EPA200.7		AES
Magnesium*	30.7	5.00	1.17	mg/L	50	10/27/20 12:18	EPA200.7		AES
Manganese*	<1.00	1.00	0.078	mg/L	50	10/27/20 12:18	EPA200.7		AES
Potassium*	103	50.0	6.51	mg/L	50	10/27/20 12:18	EPA200.7		AES
Sodium*	5910	50.0	5.03	mg/L	50	10/27/20 12:18	EPA200.7		AES
Strontium*	18.6	5.00	0.208	mg/L	50	10/27/20 12:18	EPA200.7		AES
Cation/Anion Balance	-1.18								

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DJR Operating 1 Road 3263 Aztec NM, 87410	Project: API Project Name / Number: [none] Project Manager: Lanssa Farrell	Reported: 10/27/20 15:48
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Pictured Cliffs

2010242-03 (Water)

Analyte	Result	RL	MDL	Units	Dilution	Analyzed	Method	Notes	Analyst
General Chemistry									
Alkalinity, Bicarbonate as CaCO3*	540	10.0	7.16	mg/L	10	10/26/20 14:00	2320 B		VJW
Alkalinity, Carbonate as CaCO3*	<10.0	10.0		mg/L	10	10/26/20 14:00	2320 B		VJW
Alkalinity, Hydroxide as CaCO3*	<10.0	10.0		mg/L	10	10/26/20 14:00	2320 B		VJW
Alkalinity, Total as CaCO3*	540	10.0	7.16	mg/L	10	10/26/20 14:00	2320 B		VJW
Chloride*	27300	1000	88.6	mg/L	1000	10/26/20 13:59	EPA300.0		AES
Conductivity*	63100	1.00		umho/cm @ 25.0°C	1	10/23/20 11:05	2510 B		VJW
pH*	7.31			pH Units	1	10/23/20 11:05	EPA150.1		VJW
Resistivity	15.8			ohm/cm	1	10/23/20 11:05	2510 B		VJW
Total Dissolved Solids*	38800	100		mg/L	10	10/23/20 17:15	EPA160.1		VJW
Specific Gravity	1.025	0.8000		No Unit	1	10/26/20 09:50	ASTM D1429-03		VJW
Sulfate*	<15.2	100	15.2	mg/L	100	10/27/20 04:01	EPA300.0	U	AES
Total Recoverable Metals by ICP (E200.7)									
Iron*	67.4	10.0	1.63	mg/L	100	10/27/20 12:56	EPA200.7	B3	AES
Dissolved Metals by ICP									
Hardness	1540	66.2	13.8	mg/L	100	10/27/20 12:25	2340 B		AES
Barium*	46.4	2.00	0.155	mg/L	100	10/27/20 12:26	EPA200.7		AES
Calcium*	411	10.0	1.66	mg/L	100	10/27/20 12:25	EPA200.7		AES
Iron*	5.12	5.00	1.84	mg/L	100	10/27/20 12:25	EPA200.7		AES
Magnesium*	125	10.0	2.35	mg/L	100	10/27/20 12:25	EPA200.7		AES
Manganese*	<2.00	2.00	0.155	mg/L	100	10/27/20 12:25	EPA200.7		AES
Potassium*	<100	100	13.0	mg/L	100	10/27/20 12:25	EPA200.7		AES
Sodium*	11900	100	10.1	mg/L	100	10/27/20 12:25	EPA200.7		AES
Strontium*	70.5	10.0	0.416	mg/L	100	10/27/20 12:25	EPA200.7		AES
Cation/Anion Balance	-17.24								

Green Analytical Laboratories

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2-3 day Rush

CHAIN-OF-CUSTODY AND ANALYSIS REQUEST
 FORM-006
 COC - Revision 6.0

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 75 Suttle St Durango, CO 81303
 (970) 247-4220
 Fax: (970) 247-4227

Page 10 of 10 2010242 GAL FINAL 10 27 20 1548 10/27/20 15:48:29

Company or Client: VR Operating LLC **State:** _____ **Zip:** _____
Address: _____
City: _____
Phone #: 305-919-1122
Contact Person: Lanissa Farwell
Email Report to: lanning@vrllc.com lanning@vrllc.com
 Project Name (optional): _____

Bill to (if different):
 P.O. #: DB-CH-NATURAL WDR
 Company: _____
 Attn: _____
 Address: _____
 City: _____
 State: _____
 Zip: _____
 Phone #: _____
 Email: _____

Sampler Name (Print):	Sample Name or Location	Collected		Matrix (check one)					# of containers						
		Date	Time	GROUNDWATER	SURFACEWATER	WASTEWATER	PRODUCEWATER	SOIL		DRINKING WATER	OTHER				
										No preservation (general)	HNO ₃	HCl	H ₂ SO ₄	Other	Other

For Lab Use

Relinquished by: Lanissa Farwell **Date:** 10/22/20 **Time:** 1555
Relinquished by: _____ **Date:** _____ **Time:** _____
Relinquished by: Chyenne Clark **Date:** 10/24/20 **Time:** 1455
Relinquished by: Kangaroo Express **Date:** 10/23/20 **Time:** 0830
Relinquished by: _____ **Date:** _____ **Time:** _____

Received by: _____ **Date:** _____ **Time:** _____
Received by: Kangaroo Express **Date:** _____ **Time:** _____
Received by: _____ **Date:** _____ **Time:** _____
Received by: _____ **Date:** _____ **Time:** _____

Report to State? (Circle)
 Yes _____ No _____

Temperature at receipt: 3.9°C **Checked by:** CC/PLK
1200#3 on ice

On Ice **No Ice**

† GAL cannot always accept verbal changes. Please fax or email written change requests.
 • Chain of Custody must be signed in "Relinquished By:" as an acceptance of services and all applicable charges.

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



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DJR Operating 1 Road 3263 Aztec NM, 87410	Project: API Project Name / Number: North Alamito WDW #1 Project Manager: Dave Brown	Reported: 11/03/20 15:47
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North Alamito WDW #1

2010288-01 (Water)

Analyte	Result	RL	MDL	Units	Dilution	Analyzed	Method	Notes	Analyst
General Chemistry									
Alkalinity, Bicarbonate as CaCO3*	290	10.0	7.16	mg/L	5	10/30/20 14:00	2320 B		JDA
Alkalinity, Carbonate as CaCO3*	<10.0	10.0		mg/L	5	10/30/20 14:00	2320 B		JDA
Alkalinity, Hydroxide as CaCO3*	<10.0	10.0		mg/L	5	10/30/20 14:00	2320 B		JDA
Alkalinity, Total as CaCO3*	290	10.0	7.16	mg/L	5	10/30/20 14:00	2320 B		JDA
Chloride*	2350	200	17.7	mg/L	200	11/02/20 12:04	EPA300.0		JDA
Conductivity*	19300	1.00		umho/cm @ 25.0°C	1	10/30/20 13:35	2510 B		JDA
pH*	7.40			pH Units	1	10/30/20 11:15	EPA150.1		JDA
Resistivity	51.8			ohm/cm	1	10/30/20 13:35	2510 B		JDA
Total Dissolved Solids*	13200	20.0		mg/L	2	10/30/20 14:29	EPA160.1		JDA
Specific Gravity	1.011	0.8000		No Unit	1	10/30/20 14:00	ASTM D1429-03		JDA
Sulfate*	5300	200	30.5	mg/L	200	11/02/20 12:04	EPA300.0		JDA
Total Recoverable Metals by ICP (E200.7)									
Iron*	55.1	1.25	0.407	mg/L	25	11/03/20 11:33	EPA200.7		AES
Dissolved Metals by ICP									
Hardness	494	16.5	3.45	mg/L	25	11/03/20 14:30	2340 B		AES
Barium*	<0.500	0.500	0.039	mg/L	25	11/03/20 14:30	EPA200.7		AES
Calcium*	178	2.50	0.415	mg/L	25	11/03/20 14:30	EPA200.7		AES
Iron*	<1.25	1.25	0.460	mg/L	25	11/03/20 14:30	EPA200.7		AES
Magnesium*	12.0	2.50	0.587	mg/L	25	11/03/20 14:30	EPA200.7		AES
Manganese*	0.514	0.500	0.039	mg/L	25	11/03/20 14:30	EPA200.7		AES
Potassium*	1280	25.0	3.25	mg/L	25	11/03/20 14:30	EPA200.7		AES
Sodium*	3110	25.0	2.51	mg/L	25	11/03/20 14:30	EPA200.7		AES
Strontium*	8.44	2.50	0.104	mg/L	25	11/03/20 14:30	EPA200.7		AES
Cation/Anion Balance	-98								

Green Analytical Laboratories

Debbie Zufelt, Reports Manager

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CHAIN-OF-CUSTODY AND ANALYSIS REQUEST
 FORM-006
 COC - Revision 6.0

Bill to (if different):

ANALYSIS REQUEST

Company or Client: DJR Operating Address: Lead 3263 State: NM Zip: 87710 City: Aztec Phone #: _____ Contact Person: DAVE BEARD Email Report to: dbeard@djro.com Project Name (optional): NORTH ALAMITO WDW #1		P.O. #: _____ Company: _____ Address: _____ City: _____ State: _____ Zip: _____ Phone #: _____ Email: _____	
Sampler Name (Print): North's Service		Matrix (check one): <input type="checkbox"/> GROUNDWATER <input type="checkbox"/> SURFACEWATER <input type="checkbox"/> WASTEWATER <input checked="" type="checkbox"/> PRODUCEDWATER <input type="checkbox"/> DRINKING WATER <input type="checkbox"/> OTHER: _____ # of containers: _____	
For Lab Use 2020-286, 01		Sample Name or Location North Alamo WDW #1	
Collected Date: 10-27-20 Time: 3:30pm		Temperature at receipt: 13°C Checked by: DJ On Ice: <input checked="" type="checkbox"/> No Ice: <input type="checkbox"/>	
Relinquished by: Carroll Date: 10/21/2021 Time: 1:00		Received by: Dave Beard Date: 10/20/2020 Time: 11:07 AM	
Relinquished by: Dave Beard Date: _____ Time: _____		Received by: Darwin Jufft Date: _____ Time: _____	
Relinquished by: _____ Date: _____ Time: _____		Received by: _____ Date: _____ Time: _____	
ADDITIONAL REMARKS: 2 day TAT call w/ DSI/E #3 Laser			
Report to State? (Circle) Yes <input type="checkbox"/> No <input type="checkbox"/>			

* Chain of Custody must be signed in "Relinquished By:" as an acceptance of services and all applicable charges.

† GAL cannot always accept verbal changes. Please fax or email written change requests.
 Just Click Printing Form #17-0301

Multi-Chem Analytical Laboratory
 1122 S. FM1788
 Midland, TX 76708



Units of Measurement: Standard

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 ScaleSoftPlus from
 Brine Chemistry Consortium (Rice University)

Test Data:	11/25/2014	Calcium	mg/L	Anions	mg/L
System Temperature 1 (°F):	81	Sodium (Na):	4455.35	Chloride (Cl):	6000.00
System Pressure 1 (psig):	16	Potassium (K):	44.79	Sulfate (SO ₄):	1664.00
System Temperature 2 (°F):	300	Magnesium (Mg):	23.10	Bicarbonate (HCO ₃):	427.00
System Pressure 2 (psig):	300	Calcium (Ca):	115.57	Carbonate (CO ₃):	123.00
Calculated Density (g/ml):	1.0059	Strontium (Sr):	7.60	Acetic Acid (CH ₃ COO)	
pH:	7.80	Barium (Ba):	0.30	Propionic Acid (C ₂ H ₅ COO)	
Calculated TDS (mg/L):	1220.63	Iron (Fe):	1.62	Butanoic Acid (C ₃ H ₇ COO)	
CO ₂ in Gas (%):		Zinc (Zn):	0.16	Isobutyric Acid ((CH ₃) ₂ CHCOO)	
Dissolved CO ₂ (mg/L):	80.00	Lead (Pb):	0.00	Fluoride (F):	
H ₂ S in Gas (%):		Ammonia N(H ₃):		Bromine (Br):	
H ₂ S in Water (mg/L):	2.50	Manganese (Mn):	0.55	Silica (SiO ₂):	21.25

Notes:

(PTB = Pounds per Thousand Barrels)

300.00	300.00	1.90	85.63	1.92	5.47	2.21	0.90	1.95	1.31	0.00	0.00	0.00	1.02	0.00	0.00	6.95	0.05
270.00	268.00	1.88	77.73	1.90	5.47	2.04	0.90	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	0.96	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	57.98	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	1.57	0.96	1.29	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	0.58	0.96	0.00	0.00	0.00	0.00	0.00	0.00	8.86	0.05
60.00	48.00	0.46	16.76	2.73	5.53	1.92	0.96	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	0.90	0.18	0.39	0.00	0.00	0.00	0.00	0.00	0.00	9.83	0.05

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	9.88	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	26.03	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	16.59	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	48.00	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
WATER ANALYSIS

RECEIVED
MAR 25 1977

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

Nearest Measurement Loc.

File WA - 5

Company Dome Petroleum Corp. Well Name Santa Fe 20 No. 1 Sample No. SS-2
 Formation _____ Depth _____ Sampled From _____
 Location Sec 20 T 21N R 5W Field _____ County San Juan State N.M.
 Date Sampled 3-9-77 Date Analyzed 3-13-77 Engineer BGC

Total Dissolved Solids 11,114.5 mg/L

Sp. Gr. 1.009 @ 70 °F.

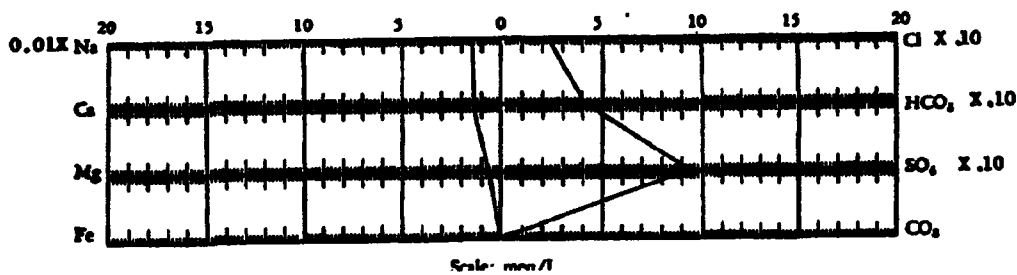
Resistivity 1.0 ohm-meters @ 70 °F.

Hydrogen Sulfide Present

pH 7.73

Constituents	meq/L	mg/L	Constituents	meq/L	mg/L
Sodium	<u>140.64</u>	<u>3228.7</u>	Chloride	<u>25.47</u>	<u>903.0</u>
Calcium	<u>1.35</u>	<u>27.0</u>	Bicarbonate	<u>41.73</u>	<u>2546.0</u>
Magnesium	<u>0.73</u>	<u>8.9</u>	Sulfate	<u>91.61</u>	<u>4400.0</u>
Iron	<u>0.03</u>	<u>0.9</u>	Carbonate	<u>ND</u>	<u>ND*</u>
Barium	<u>ND</u>	<u>ND</u>	Hydroxide	<u>ND</u>	<u>ND</u>

*ND = Less than 0.1 mg/L



HALLIBURTON

Water Analysis Report

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

To:	<u>Degan Production</u>	Date:	<u>11/10/2008</u>
Submitted by:	<u>Halliburton Energy Services</u>	Date Rec:	<u>11/10/2008</u>
Attention:	<u>Darrin Steed</u>	Report #:	<u>FLMMA44</u>
Well Name:	<u>Harry Monster #3 SWD</u>	Formation:	<u>Entrada/SWD</u>

Specific Gravity	1.006	
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

SETTLEMENT AGREEMENT SW-481

This is an agreement (the "Settlement Agreement") between the New Mexico State Land Office ("SLO") and DJR Operating, LLC ("DJR") (collectively, the "Parties") to resolve SLO's concerns regarding DJR's application with the New Mexico Oil Conservation Division ("OCD") for a proposed saltwater disposal well, North Alamito Unit SWD#1 (API 30-045-38185), located in Township 22 North, Range 08 West, Section 01, proposed to inject into the Entrada formation (the "Well").

SLO filed an objection to DJR's application with the OCD because the Well would be sited between 1/8 and 1/4 mile of New Mexico state trust land, and produced water from outside the North Alamito Unit would be injected into the Well and may encroach into SLO's adjacent pore space. To resolve SLO's concerns regarding the Well's proximity to state trust land and to provide the state land trust with compensation for injection of off-unit water, the Parties have agreed as follows:

1. **Payments.** DJR shall make payment to SLO during the Term (as defined below) of the Settlement Agreement in the amount of \$0.04 for each barrel of produced water from outside the boundaries (as they exist as of the date of this Agreement) of the North Alamito Unit ("Off-Unit Water") that is injected into the Entrada formation via the Well. For the sake of clarity, injections of produced water obtained from within the boundaries of the North Alamito Unit do not require payment of per-barrel fees under this Settlement Agreement.

Payments shall be made payable to the Commissioner of Public Lands. The first payment shall be due by December 31 of the first year in which DJR commences injection of Off-Unit Water into the Well. Each subsequent annual payment shall be made on or before March 1 for each prior year's volumes of Off-Unit Water. All payments shall be made with reference to Settlement Agreement number SW-481.

2. **Dispute Resolution.** In the event of any discrepancy in the Parties' records or disagreement about whether particular volumes injected into the Well are Off-Unit Water, the Parties agree to meet and confer and, if they are unable to reach resolution, to submit the matter to non-binding mediation, to be paid for jointly by the Parties before a mediator jointly selected by the Parties. In the event the Parties are unable to agree on the selection of a mediator or either Party is unwilling to accept the outcome of the mediation, the Parties will promptly seek judicial resolution of the dispute in New Mexico District Court. Until that dispute is resolved by the district court, DJR shall place payment in the amount of \$0.04/barrel for all disputed volumes in an escrow account.

3. **Term.** The Term of this Settlement Agreement shall commence on November 15, 2021, and shall terminate on November 14, 2026. The Parties may renew the Settlement Agreement by executing a writing signed by both of them. Upon termination of this Settlement Agreement, DJR has no right to recoupment, reimbursement, or forward credit for any payments already made to SLO.

4. **Reporting.** DJR shall submit timely annual reports to SLO of all volumes injected into the Well that specifically identify the points of origin of all volumes of Off-Unit Water by API number. DJR agrees to make its relevant books and records reasonably available to SLO upon request.
5. **Withdrawal of Objection.** Upon complete execution of this Settlement Agreement, SLO shall withdraw its objection to the Well previously filed with OCD.
6. **Governing Law; Disputes; Venue.** This Settlement Agreement shall be governed by and enforceable under the laws of the State of New Mexico and shall be construed and interpreted in accordance with the rules generally applicable to contracts in the State of New Mexico. In the event either Party fails to perform its obligations under this Settlement Agreement, the other Party shall be entitled to enforce such obligations or bring an action on the representations made herein, only in the First Judicial District Court, Santa Fe County, New Mexico.
7. **Successors and Assigns.** This Settlement Agreement shall be binding on and inure to the benefit of the Parties as well as their representatives, attorneys, successors, assignees, agent, officers, members, and employees.
8. **Amendment.** This Settlement Agreement shall not be amended, modified, or terminated, nor shall any obligations hereunder be waived (expressly, by implication, or by estoppel), except by written instrument signed by both of the Parties.
9. **Counterparts and Authority.** This Settlement Agreement may be executed in one or more counterparts each of which shall be deemed as original but all of which together shall constitute one and the same instrument. The delivery of a facsimile or e-mail signature contained in one or more counterparts shall be deemed an original signature. The individual executing this Settlement Agreement on behalf of DJR Operating, LLC represents that she or he has the authority to do so and to bind the company to the terms of this Settlement Agreement.

[signature page follows]

DJR OPERATING, LLC

By: [Signature] Date: 11-16-21

Name: Jerry L. Austin, Vice President, Operations

ACKNOWLEDGMENT IN A REPRESENTATIVE CAPACITY

State of New Mexico

County of San Juan

This instrument was acknowledged before me on 11/16/2021 (date) by

[Signature] (name) as

Vice President (title) of Operations

DJR Operating, LLC (name of party on behalf of whom instrument is executed).

[Signature]
(Signature of notarial officer)



(seal)

My commission expires: 4/5/2024

NEW MEXICO COMMISSIONER OF PUBLIC LANDS

S
E
A Stephanie Garcia Richard, Commissioner of Public Lands
L

Date: _____

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 74327

CONDITIONS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 74327
	Action Type: [C-103] NOI Change of Plans (C-103A)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Adhere to previous NMOCD conditions of approval	2/11/2022
kpickford	OCD approval for the disposal of "Off-Unit Water" in the North Alamito Unit SWD No. 1 (API 30-045-38185) shall remain in effect contingent with the Operator fulfilling the terms of Settlement Agreement SWD-481.	2/11/2022
kpickford	Operator shall submit to the OCD a copy of the annual report required in Paragraph 4 of the New Mexico State Land Office Settlement Agreement SWD-481. The copy of the report shall be submitted as an attachment to a Form C-103 processed through E-permitting for placement in the well file.	2/11/2022