

Well Name: CHACON AMIGOS	Well Location: T22N / R2W / SEC 7 / NWSW /	County or Parish/State: SANDOVAL / NM
Well Number: 101	Type of Well: OIL WELL	Allottee or Tribe Name: JICARILLA APACHE
Lease Number: JIC358	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004320500	Well Status: Producing Oil Well	Operator: DJR OPERATING LLC

Notice of Intent

Sundry ID: 2659866

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 03/03/2022

Time Sundry Submitted: 10:07

Date proposed operation will begin: 03/03/2022

Procedure Description: This NOI to P&A is being submitted for engineering & geological review per Dave M. of the BLM prior to onsite inspection. A Reclamation Plan will be submitted on a subsequent sundry at a later date. DJR Operating, LLC requests permission to Plug & Abandon the subject well according to the attached Procedure, Current & Proposed Wellbore Diagram.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

- Chacon_Amigos_101_PA_Procedure_20220303100729.pdf
- Chacon_Amigos_101_BIA_Rationale_Form_20220303100729.pdf
- Chacon_Amigos_101_Proposed_WBD_20220303100729.pdf
- Chacon_Amigos_101_Current_WBD_20220303100729.pdf

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County or Parish/State: SANDOVAL / NM

Well Number: 101

Type of Well: OIL WELL

Allottee or Tribe Name: JICARILLA APACHE

Lease Number: JIC358

Unit or CA Name:

Unit or CA Number:

US Well Number: 3004320500

Well Status: Producing Oil Well

Operator: DJR OPERATING LLC

Conditions of Approval

Additional Reviews

22N02W07LKd_Chacón_Amigos_101_20220317154320.pdf

Authorized Officer

General_Requirement_PxA_20220317174238.pdf

2659866_NOIA_101_3004320500_KR_03172022_20220317174227.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: MAR 03, 2022 10:07 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: 03/17/2022

Signature: Kenneth Rennick

Plug and Abandonment Procedure
for
DJR Operating, LLC
Chacon Amigos 101
API # 30-043-20500
NW/SW, Unit L, Sec. 7, T22N, R2W
Sandoval County, NM

I.

1. Hold Pre job meeting, comply with all NMOCD, BLM and environmental regulations.
2. MIRU prep rig.
3. Check and record tubing, casing and bradenhead pressures.
4. Remove existing piping from casing valve, RU blow lines from casing valves and blow down casing pressure. Kill well as necessary. Ensure that well is dead or on a vacuum.
5. MIRU hot oil unit, pump hot water to clear tubing of paraffin.
6. Unset TAC.
7. ND WH, NU BOP, function test BOP.
8. Trip out of hole with 2 3/8" tubing. LD tubing to be sent in for storage/salvage.
9. RDMO prep rig to next location.

II.

10. MIRU P&A rig and equipment.
11. PU workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 6830'. PU and TIH with 4-1/2" cement retainer and set at 6830'. Pressure test tubing to 1000 psi.
12. Plug 1. RU cement equipment. Mix and attempt to squeeze 10 sx cement through the CR into the Dakota perforations. If zone pressures up, sting out and spot cement to 6698' above CR. Pump water to ensure tubing is clear.

13. Plug 2. Gallup: Set cement retainer at 5960'. Sting out of retainer and pressure test casing to 600 psi. If test fails, contact engineering. Sting back into retainer and attempt to squeeze 10 sx into the Gallup perforations. If zone pressures up, sting out and spot sufficient volume to bring TOC to 5684' above retainer. Pump water to ensure tubing is clear. TOOH.
14. RU wireline. Run CBL log from CR to surface. Hold 600 psi on casing if possible. Electronic copy of CBL to be sent to Ken Rennick krennick@blm.gov, Monica Kueling monica.kueling@state.nm.us, Loren Diede ldiede@djrlc.com, and slindsay@djrlc.com. Plugs may be adjusted per log results.
15. Plug 3. Mancos: RIH with wireline and perforate holes at 4966'. POOH. TIH with CR and set at 4916'. Mix and pump sufficient volume to bring cement to 4866' inside and outside. Pump water to ensure tubing is clear. TOOH.
16. Plug 4. Mesa Verde: RIH with wireline and perforate holes at 4208'. POOH. TIH with CR and set at 4158'. Mix and pump sufficient volume to bring cement to 4108' inside and outside. Pump water to ensure tubing is clear.
17. Plug 5. Chacra: RIH with wireline and perforate holes at 3460'. POOH. TIH with CR and set at 3410'. Mix and pump sufficient volume to bring cement to 3360' inside and outside. Pump water to ensure tubing is clear.
18. Plug 6: Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo: Spot balanced plug from 2751-2333' inside. Pump water to ensure that tubing is clear.
19. Plug 7: Nacimiento: Perforate holes at 1372'. Set CR at 1322'. Mix and pump sufficient volume to bring top of cement to 1272' inside and outside. Pump water to ensure tubing is clear.
20. Plug 8: Surface casing shoe: Perforate holes at 340'. Tie onto 4-1/2" casing, establish rate, and mix and pump sufficient volume to bring Class G cement to surface inside and outside 4-1/2" casing.
21. RD cementing equipment. Cut off wellhead, fill any exposed annulus with cement as necessary. **Install SURFACE P&A marker as per BIA requirements.** Record GPS coordinates for P&A marker and the Final P&A Report. Photograph the P&A marker and attach to the report.

22. RD and MO all rig and cement equipment. Assure that location is free of trash and contamination before moving off.
23. Send all reports and attachments to DJR Aztec office for regulatory filings.

Note: All cement is to be Class G mixed at 15.8 ppg, yield 1.15 cu ft / sx. Cement volumes are based on inside capacities + 50' excess and outside capacities + 100% excess.

Surface PxA marker is to be installed at surface, 12"x18", and exposed at the reclaimed GL surface.

**Current Wellbore Diagram
DJR Operating, LLC
Chacon Amigos 101**

API # 30-043-20500
NW/SW, Unit L, Sec 7, T22N, R2W
Sandoval County, NM

GL 7243'
KB 7257'
Spud Date 10/2/1980

SURF CSG

Hole size 12.25"
Csg Size: 8.625"
Wt: 24#
Grade: K-55
ID: 8.097"
Depth 290'
Csg cap ft³: 0.3576
TOC: Circ to surface

FORMATION TOPS

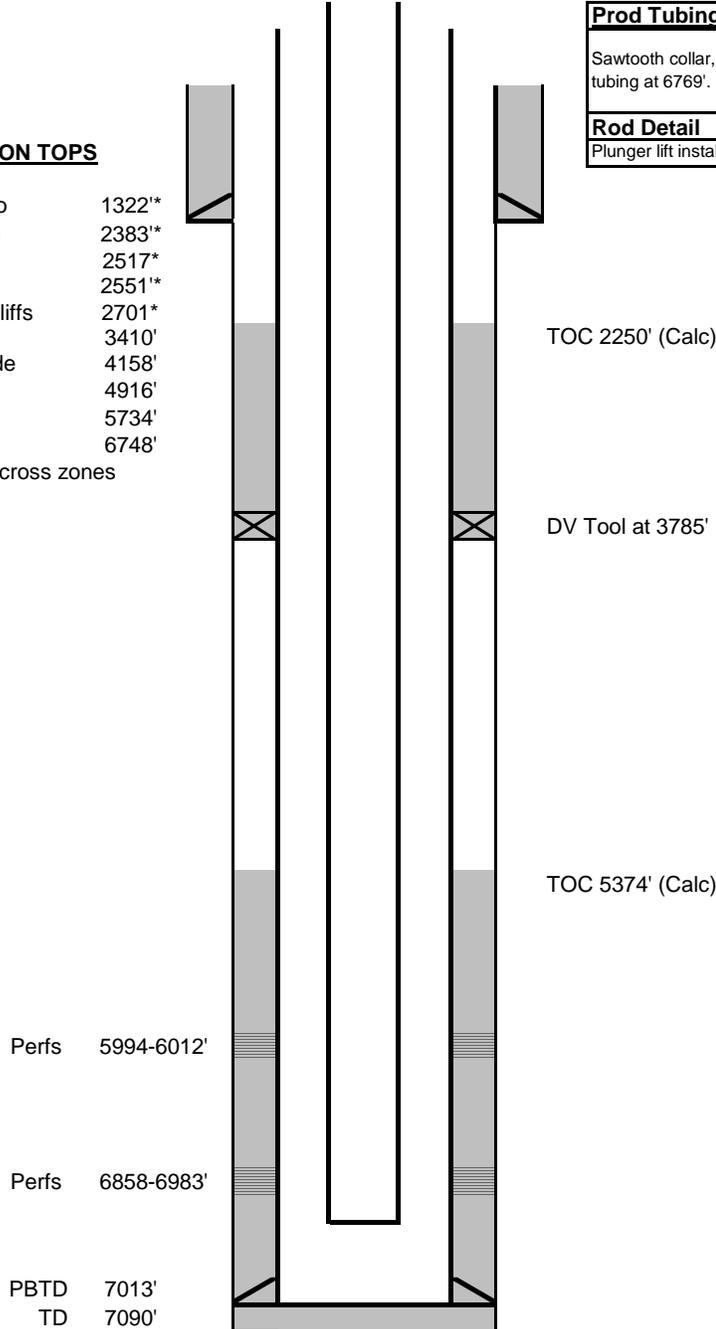
Nacimiento	1322*
Ojo Alamo	2383*
Kirtland	2517*
Fruitland	2551*
Pictured Cliffs	2701*
Chacra	3410'
Mesa Verde	4158'
Mancos	4916'
Gallup	5734'
Dakota	6748'

*No logs across zones

PROD CSG

Hole size 7.875"
Csg Size: 4.5"
Wt: 10.5/11.6#
Grade: K-55
ID: 4.052"
Depth 7089'
Csg cap ft³: 0.0895
Csg/Csg Ann ft³: 0.2471
Csg/OH cap ft³: 0.2278
TOC: Stg 1 (Calc) 5374'
TOC: Stg 2 (Calc) 2250'

Prod Tubing Detail:
Sawtooth collar, SN, 232 jts. 2-3/8" (est.) tubing at 6769'.
Rod Detail
Plunger lift installation



Proposed P&A Wellbore Diagram
DJR Operating, LLC
Chacon Amigos 101

API # 30-043-20500
 NW/SW, Unit L, Sec 7, T22N, R2W
 Sandoval County, NM

GL 7243'
 KB 7257'
 Spud Date 10/2/1980

SURF CSG

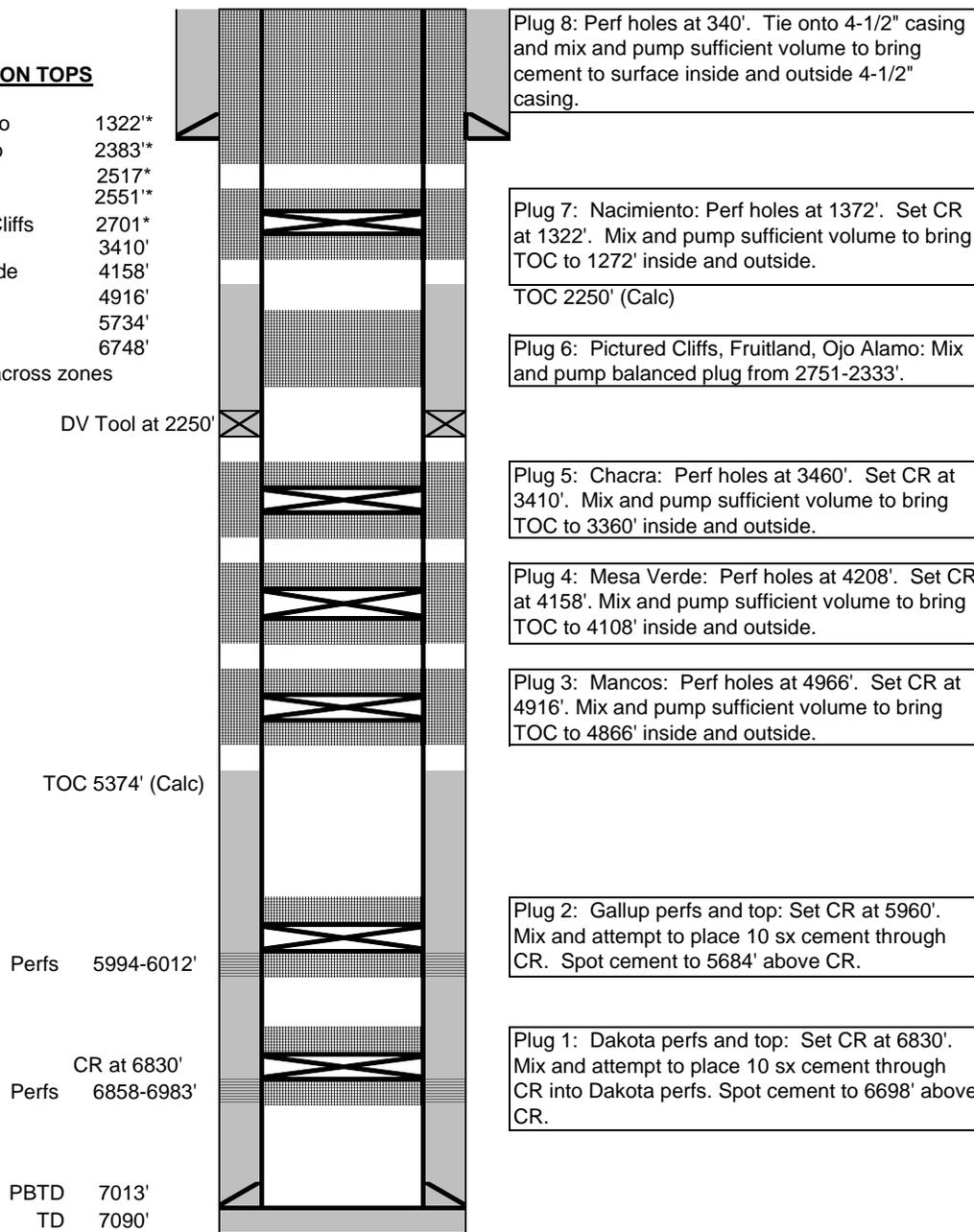
Hole size 12.25"
 Csg Size: 8.625"
 Wt: 24#
 Grade: K-55
 ID: 8.097"
 Depth 290'
 Csg cap ft³: 0.3576
 TOC: Circ to surface

FORMATION TOPS

Nacimiento 1322*
 Ojo Alamo 2383*
 Kirtland 2517*
 Fruitland 2551*
 Pictured Cliffs 2701*
 Chacra 3410'
 Mesa Verde 4158'
 Mancos 4916'
 Gallup 5734'
 Dakota 6748'
 *No logs across zones

PROD CSG

Hole size 7.875"
 Csg Size: 4.5"
 Wt: 10.5/11.6#
 Grade: K-55
 ID: 4.052"
 Depth 7089'
 Csg cap ft³: 0.0895
 Csq/Csq Ann ft³: 0.2471
 Csq/OH cap ft³: 0.2278
 TOC: Stg 1 (Calc) 5374'
 TOC: Stg 2 (Calc) 2250'



Plug 8: Perf holes at 340'. Tie onto 4-1/2" casing and mix and pump sufficient volume to bring cement to surface inside and outside 4-1/2" casing.

Plug 7: Nacimiento: Perf holes at 1372'. Set CR at 1322'. Mix and pump sufficient volume to bring TOC to 1272' inside and outside.
 TOC 2250' (Calc)

Plug 6: Pictured Cliffs, Fruitland, Ojo Alamo: Mix and pump balanced plug from 2751-2333'.

Plug 5: Chacra: Perf holes at 3460'. Set CR at 3410'. Mix and pump sufficient volume to bring TOC to 3360' inside and outside.

Plug 4: Mesa Verde: Perf holes at 4208'. Set CR at 4158'. Mix and pump sufficient volume to bring TOC to 4108' inside and outside.

Plug 3: Mancos: Perf holes at 4966'. Set CR at 4916'. Mix and pump sufficient volume to bring TOC to 4866' inside and outside.

Plug 2: Gallup perfs and top: Set CR at 5960'. Mix and attempt to place 10 sx cement through CR. Spot cement to 5684' above CR.

Plug 1: Dakota perfs and top: Set CR at 6830'. Mix and attempt to place 10 sx cement through CR into Dakota perfs. Spot cement to 6698' above CR.

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

AFMSS 2 Sundry ID 2659866

Attachment to notice of Intention to Abandon

Well: Chacon Amigos 101

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 at (505) 564-7750.
3. The following modifications to your plugging program are to be made:
 - a. Bring the top of Plug #2 (Gallup) up to 5630' to cover BLM formation top pick (5680').
 - b. Bring the bottom of Plug #3 (Mancos) down to 4999' to cover BLM formation top pick (4949').
 - c. Bring the top of Plug #6 (Pictured Cliffs, Fruitland, Kirtland and Ojo Alamo) up to 2280' to cover BLM formation top estimate for the Ojo Alamo (2330').

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 3/17/2022

**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.

BLM FLUID MINERALS P&A Geologic Report

Date Completed: 03/17/2022

Well No. Chacon Amigos #101 (API# 30-043-20500)	Location	1850	FSL	&	790	FWL
Lease No. JIC358	Sec. 07	T22N			R02W	
Operator DJR Operating, LLC	County	Sandoval		State	New Mexico	
Total Depth 7090'	PBTD 7013'	Formation Dakota/Gallup				
Elevation (GL) 7243'		Elevation (KB) 7257'				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm	Surface	1322			Surface/freshwater sands
Nacimiento Fm	1322	2330			Possible freshwater sands
Ojo Alamo Ss	2330	2458			Aquifer (possible freshwater)
Kirtland Shale	2458	2584			
Fruitland Fm	2584	2668			Coal/Gas/Possible water
Pictured Cliffs Ss	2668	2746			Gas
Lewis Shale	2746			3410	
Chacra			3410	4158	Gas
Cliff House Ss			4158	4260	Water/Possible gas
Menefee Fm			4260	4713	Coal/Ss/Water/Possible O&G
Point Lookout Ss			4713	4949	Probable water/Possible O&G
Mancos Shale			4949	5680	
Gallup			5680	6710	O&G/Water
Greenhorn			6710	6846	
Graneros Shale			6846	6848	
Dakota Ss			6848	PBTD	O&G/Water

Remarks:

P & A

- BLM picks/estimates for various formation tops vary from Operator submission. See plug changes below. Tops from the Lewis to Surface were estimated using logs from Reference Well #2.
- Bring the top of Plug #2 (Gallup) up to 5630' to cover BLM formation top pick.
- Bring the bottom of Plug #3 (Mancos) down to 4999' to cover BLM formation top pick.
- Bring the top of Plug #6 (Pictured Cliffs, Fruitland, Kirtland and Ojo Alamo) up to 2280' to cover BLM formation top estimate for the Ojo Alamo (2330').
- The plugs proposed in the P&A procedure, with changes recommended above, will adequately protect any freshwater sands in this well bore.
- Gallup perms 5994' – 6012'.
- Dakota perms 6858' – 6983'.

Reference Well:

1) **Formation Tops (Dakota – Chacra)**
Same

2) **Formation Tops (Lewis – Surface)**

DJR Operating, LLC
Bonanza #6
790' FSL, 1850' FEL
Sec. 12, T22N, R03W
7260' KB

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

CONDITIONS
 Action 91235

CONDITIONS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 91235
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	3/21/2022
kpickford	CBL required	3/21/2022
kpickford	Adhere to BLM approved COAs and plugs. See GEO report.	3/21/2022