

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Well Name: BONANZA	Well Location: T22N / R3W / SEC 12 / SWNE /	County or Parish/State: SANDOVAL / NM
Well Number: 5	Type of Well: OIL WELL	Allottee or Tribe Name: JICARILLA APACHE
Lease Number: JIC360	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004320520	Well Status: Oil Well Shut In	Operator: DJR OPERATING LLC

Notice of Intent

Sundry ID: 2672005

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 05/16/2022

Time Sundry Submitted: 01:57

Date proposed operation will begin: 05/16/2022

Procedure Description: This request is being submitted for engineering & geological review prior to onsite inspection as approved by Dave M. of the BLM. 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

NOI_PA_BLM_Submittal_20220516135739.pdf

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Well Location: T22N / R3W / SEC 12 / SWNE /

County or Parish/State: SANDOVAL / NM

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Type of Well: OIL WELL

Allottee or Tribe Name: JICARILLA APACHE

Lease Number: JIC360

Unit or CA Name:

Unit or CA Number:

US Well Number: 3004320520

Well Status: Oil Well Shut In

Operator: DJR OPERATING LLC

Conditions of Approval

Additional

General_Requirement_PxA_20220622140635.pdf

2672005_NOIA_5_3004320520_KR_06222022_20220622140620.pdf

Bonanza_No_5_Geo_Rpt_20220622123428.pdf

Operator

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

Operator Electronic Signature: SHAW-MARIE FORD

Signed on: MAY 16, 2022 01:57 PM

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 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: 06/22/2022

Signature: Kenneth Rennick

Plug and Abandonment Procedure
for
DJR Operating, LLC
Bonanza 5
API # 30-043-20520
SW/NE, Unit G, Sec. 12, T22N, R3W
Sandoval County, NM

1. Hold Pre job meeting, comply with all NMOCD, BLM and environmental regulations.
2. MIRU.
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. PU workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 6780'. TOOH.
10. PU and RIH with a 4 1/2" cement retainer. Set the CR at +/- 6780'. Roll hole. Pressure test tubing to 1000 psi, sting out of CR, test casing to 600 psi. If casing does not test, contact engineering. TOOH.
11. RU and RIH with CBL. Run from TOC to surface. Send CBL log to Kenneth Rennick krennick@blm.gov, Monica Kueling monica.kueling@state.nm.us, Loren Diede ldiede@djrlc.com, Scott Lindsay slindsay@djrlc.com. Plugs may be adjusted per log run.
12. Plug 1: Dakota perforations: RU cement equipment. TIH and sting back into CR and attempt to mix and pump 10 sx through the CR into the Dakota perforations. If zone pressures up, sting out of CR and continue with Plug 2.
13. Plug 2. Mix and spot plug on top of retainer from 6780'-6730'. Pump water to ensure tubing is clear.

14. Plug 3. Gallup: RIH with wireline and perforate holes at 5758'. POOH. TIH with CR and set at 5708'. Mix and pump sufficient volume to bring TOC to 5658', inside and outside. Pump water to ensure tubing is clear.
15. Plug 4. Mancos: Pump a balanced plug from 4858-4758'. Pump water to ensure tubing is clear. TOOH.
16. Plug 5. Mesa Verde: RIH with wireline and perforate holes at 4162'. POOH. TIH with CR and set at 4112'. Mix and pump sufficient volume to bring TOC to 4062', inside and outside. Pump water to ensure tubing is clear.
17. Plug 6. Chacra: RIH with wireline and perforate holes at 3451'. POOH. TIH with CR and set at 3401'. Mix and pump sufficient volume to bring TOC to 3351', inside and outside. Pump water to ensure tubing is clear.
18. Plug 7: Pictured Cliffs and, Fruitland: Pump a balanced plug from 2625-2180' Pump water to ensure that tubing is clear. TOOH.
19. , Plug 8: Kirtland and Ojo Alamo: RIH with wireline and perforate holes at 2428'. POOH. TIH with CR and set at 2253'. Mix and pump sufficient volume to bring TOC to 2203' inside and outside. Pump water to ensure tubing is clear.
20. Plug 9: Nacimiento: RIH with wireline and perforate holes at 1200'. POOH. TIH with CR and set at 1150'. Mix and pump sufficient volume to bring TOC to 1100' inside and outside. Pump water to ensure tubing is clear.
21. Plug 10: Surface casing shoe: Perforate holes at 256'. Tie onto 4-1/2" casing and mix and pump sufficient volume to bring cement to surface inside and outside 4-1/2" casing.
22. 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.
23. RD and MO all rig and cement equipment. Assure that location is free of trash and contamination before moving off.
24. 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
Bonanza 5**

API # 30-043-20520
SW/NE, Unit G, Sec 12, T22N, R3W
Sandoval County, NM

GL 7177'
KB 7190'
Spud Date 3/18/1981

SURF CSG

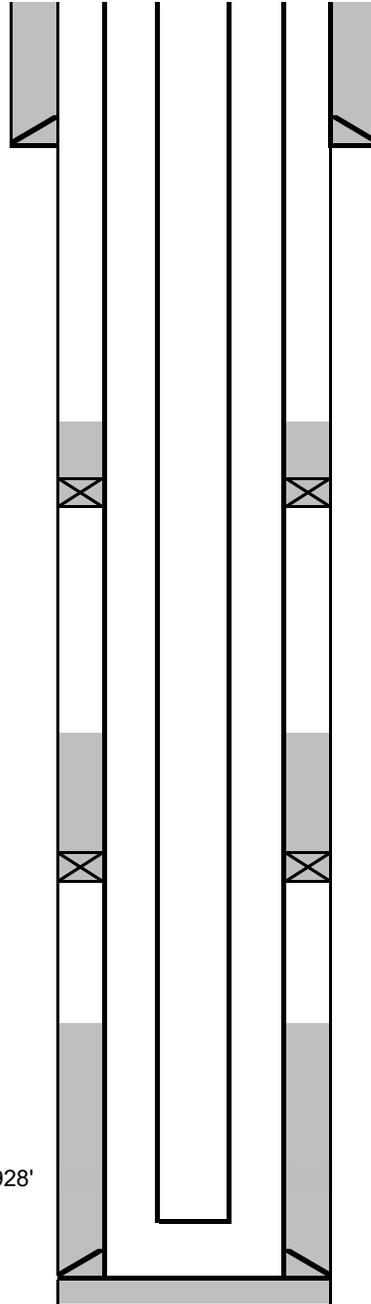
Hole size 11"
Csg Size: 8.625"
Wt: 28#
Grade: J-55
ID: 8.097"
Depth 206'
Csg cap ft³: 0.3506
TOC: Surf

FORMATION TOPS

San Jose	Surface
Nacimiento	1150'
Ojo Alamo	2253'
Kirtland	2378'
Fruitland	2568'
Pictured Cliffs	2600'
Lewis	2712'
Chacra	3401'
Mesa Verde	4112'
Mancos	4908'
Gallup	5708'
Dakota	6810'

PROD CSG

Hole size 7.875"
Csg Size: 4.5"
Wt: 10.5#
Grade: K-55
ID: 4.052"
Depth 7070'
Csg cap ft³: 0.0895
Csg/Csg Ann ft³: 0.2401
Csg/OH cap ft³: 0.2278
TOC: Stg 1 (Calc) 5789'
TOC: Stg 2 (Calc) 4406'
TOC: Stg 3 (Calc) 2429'



Prod Tubing Detail:
MA, PS, SN, 5 jts. 2-3/8" tbg., TAC, 213 jts, 2-3/8" tbg., 2x8' subs, 6' sub, 1 jt. 2-3/8" tubing. EOT at 6972'. SN at 6940'.

Rod Detail:
2"x1-1/4"x12'x16' RHAC-Z HVR pump, 49x3/4" plain rods, 173x3/4" rods with moded guides, 4', 6', 8' subs, 1-1/4"x22' polished rod with 10' liner.

TOC 2429' (Calc.)

DV Tool at 2739'

TOC 4406' (Calc.)

DV Tool at 4962'

TOC 5789' (Calc.)

Perfs 6818-6928'

PBTD 7036'

TD 7071'

Proposed PxA Wellbore
DJR Operating, LLC
Bonanza 5
API # 30-043-20520
SW/NE, Unit G, Sec 12, T22N, R3W
Sandoval County, NM

GL 7177'
 KB 7190'
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SURF CSG

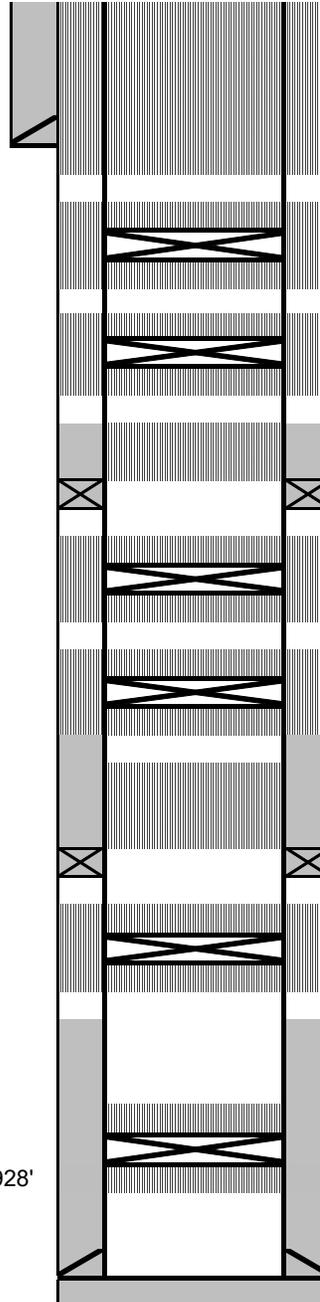
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 Csg Size: 8.625"
 Wt: 28#
 Grade: J-55
 ID: 8.097"
 Depth 206'
 Csg cap ft3: 0.3506
 TOC: Surf

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Hole size 7.875"
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 TOC: Stg 1 (Calc) 5789'
 TOC: Stg 2 (Calc) 4406'
 TOC: Stg 3 (Calc) 2429'



Plug 10: Surface casing shoe and surface plug: Perf holes at 256'. Tie onto 4-1/2" casing and mix and pump sufficient volume to bring cement to surface, inside and outside.

Plug 9: Nacimiento: Perf holes at 1200'. Set CR at 1150'. Mix and pump sufficient volume to bring TOC to 1100' inside and outside.

Plug 8: Kirtland and Ojo Alamo: Perf holes at 2428*. Set CR at 2253'. Mix and pump sufficient volume to bring TOC to 2203' inside and outside.

Plug 7: Pictured Cliffs and Fruitland: Spot balanced plug from 2650-2518'.
 DV Tool at 2739'

Plug 6: Chacra: Perf holes at 3451'. Set CR at 3401'. Mix and pump sufficient volume to bring TOC to 3351', inside and outside.

Plug 5: Mesa Verde: Perf holes at 4162'. Set CR at 4112'. Mix and pump sufficient volume to bring TOC to 4062', inside and outside.

Plug 4: Mancos top: Spot balanced plug from 4858-4758'.
 DV Tool at 4962'

Plug 3: Gallup: Perf holes at 5758'. Set CR at 5708'. Mix and pump sufficient volume to bring TOC to 5658', inside and outside.

Plug 2: Dakota top: Spot plug from CR to 6730'.

Plug 1: Dakota perfs: Set CR at 6780'. Squeeze 10 sx cement through CR into Dakota perfs.

*Dependent upon CBL cement top.

Perfs 6818-6928'
 PBTD 7036'
 TD 7071'

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

AFMSS 2 Sundry ID 2672005

Attachment to notice of Intention to Abandon

Well: Bonanza 5

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. The following modifications to your plugging program are to be made:
 - a. Extend the top of Plug 3 to 5608' to account for required excess.
 - b. Modify Plug 4 to match the 4908' top and meet required excess:4958'-4808'.
 - c. Extend the top of Plug 5 to 4012' to account for required excess.
 - d. Modify Plug 6 to match the 3368' BLM top and meet required excess: Perf at 3418', set the CR at 3368', and bring the TOC to 3268'.
 - e. Extend the top of Plug 7 to 2468' to account for required excess.
 - f. Extend the top of Plug 8 to 2153' to account for required excess.
 - g. Extend the top of Plug 9 to 1050' to account for required excess.
3. Farmington Office is to be notified at least 24 hours before the plugging operations commence at (505) 564-7750.

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 6/22/2022

**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.

(October 2012 Revision)

BLM - FFO - Geologic Report

Well No.	Bonanza	# 5	Surf. Loc.	1850	Date Completed	6/21/2022
			Sec.	12	FNL	1850
					T22N	FEL
						R3W
Lease No.	Jic 360					
Operator	DJR Operating LLC		County	Sandoval	State	New Mexico
TVD	7071	PBTD	7036	Formation	Pictured Cliffs	
Elevation	GL	7177	Elevation	Est. KB	7190	

Geologic Formations	Est. tops	Subsea Elev.	Remarks
San Jose	Surface		Surface
Nacimiento Fm.	1150	6040	Fresh water sands
Ojo Alamo Ss	2253	4937	Aquifer (fresh water)
Kirtland Fm.	2378	4812	
Fruitland Fm.	2510	4680	Coal/gas/possible water
Pictured Cliffs Ss	2595	4595	Probable water
Lewis Shale	2690	4500	
Huerfanito Bentonite	2900	4290	Reference bed
Chacra (Upper)	3030	4160	Probable water or dry
Lewis Shale Stringer	3210	3980	
Chacra (Lower)	3368	3822	Probable water or dry
Lewis Shale Stringer	3550	3640	
La Ventana Tongue	3675	3515	Probable water or dry
Cliff House	4112	3078	Probable water or gas
Menefee	4170	3020	Coal/ss/water/possible gas
Point Lookout Fm.	4590	2600	Water
Mancos Shale	4908	2282	Source Rock
El Vado Ss	5340	1850	O&G
Tocito SS	5535	1655	O&G
Gallup	5708	1482	O&G
Mancos Stringer	6110	1080	
Juana Lopez	6290	900	
Mancos Stringer	6540	650	
Greenhorn	6680	510	
Graneros	6722	468	
Dakota Ss	6810	380	O&G

Remarks:

Reference Well:

Extend the top of Plug 3 to 5608' to account for required excess.

Modify Plug 4 to match the 4908' top and meet required excess:4958'-4808'.

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Modify Plug 6 to match the 3368' BLM top and meet required excess: Perf at 3418', set the CR at 3368', and bring the TOC to 3268'.

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Extend the top of Plug 8 to 2153' to account for required excess.

Extend the top of Plug 9 to 1050' to account for required excess.

Same

Prepared by: Walter Gage

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 119722

CONDITIONS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 119722
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	CBL required	6/24/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	6/24/2022
kpickford	Adhere to BLM approved COAs and plugs. See GEO report and General COA page.	6/24/2022