

Well Name: NATANI	Well Location: T21N / R6W / SEC 11 / SESE / 36.059673 / -107.43447	County or Parish/State: SANDOVAL / NM
Well Number: 1	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM25804	Unit or CA Name:	Unit or CA Number:
US Well Number: 3004320429	Well Status: Producing Gas Well	Operator: M & M PRODUCTION & OPERATION

Notice of Intent

Sundry ID: 2699941

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 10/27/2022

Time Sundry Submitted: 09:37

Date proposed operation will begin: 08/01/2023

Procedure Description: See attached. DJR Operating, LLC/ DJR Nominee Corporation is submitting the NOI to Abandon as the Record Title Owner of Lease NMNM25804.

Surface Disturbance

Is any additional surface disturbance proposed?: No

Oral Submission

Oral Notification Date: Sep 23, 2022

Oral Notification Time: 12:00 AM

Contacted By: Shaw-Marie Ford

Contact's Email: sford@djrlc.com

Comments: Submitted paper copy because DJR Operating, LLC is not the operator in AFMSS 2. Only the record title owner of the lease.

NOI Attachments

Procedure Description

NMNM25804_Natani_001_3004320429_NOIA_09232022_20221027092109.pdf

Well Name: NATANI

Well Location: T21N / R6W / SEC 11 / SESE / 36.059673 / -107.43447

County or Parish/State: SANDOVAL / NM

Well Number: 1

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMNM25804

Unit or CA Name:

Unit or CA Number:

US Well Number: 3004320429

Well Status: Producing Gas Well

Operator: M & M PRODUCTION & OPERATION

Conditions of Approval

Additional

21N06W11PKmv_Natani_001_20221107164844.pdf

Authorized

General_Requirement_PxA_20221108082443.pdf

2699941_NOIA_1_3004320429_KR_11082022_20221108082435.pdf

NMNM25804_Natani_001_3004320429_NOIA__APPROVED_KGR_11082022_20221108082416.pdf

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: 11/08/2022

Signature: Kenneth Rennick



Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No. **NMNM25804**

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **DJR OPERATING, LLC**

3a. Address **1 ROAD 3263
AZTEC, NM 87410**

3b. Phone No. (include area code)
(505) 632-3476

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
930' FSL x 1160' FEL / P-11-21N-06W / 36.059669 -107.434448

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No. **Natani #001**

9. API Well No. **30-043-20429**

10. Field and Pool or Exploratory Area
Rusty Chacra

11. Country or Parish, State
Sandoval County, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

This request is being submitted for engineering & geological review prior to on site 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.

Received

SEP 23 2022

Farmington Field Office
Bureau of Land Management

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Shaw-Marie Ford

Title **Regulatory Specialist**

Signature *Shaw-Marie Ford*

Date **09/21/2022**

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *Kenneth Rermick*

Title **PETROLEUM ENGINEER**

Date **11/08/2022**

Office **FARMINGTON FIELD OFFICE**

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title 18 U.S.C Section 1001 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.

(Instructions on page 2)

Plug and Abandonment Procedure
for
DJR Operating, LLC
Natani #001
API # 30-043-20429
SE/SE, Unit P, Sec. 11, T21N, R6W
Sandoval County, NM

1. Hold pre-job meeting, comply with all NMOCD, BLM and environmental regulations.
2. Check and record tubing, casing and bradenhead pressures.
3. 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.
4. ND WH, NU BOP, function test BOP.
5. Trip out of hole with 2 3/8" tubing. LD tubing to be sent in for storage/salvage.
6. PU workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 1990'. TOOH.
7. Plug 1: Mesa Verde: Set balanced plug from 1990-1890'. Pump water to ensure tubing is clear. TOOH. WOC and tag top of cement.
8. PU and TIH with 5-1/2" CR and set near 1563'. Pressure test tubing to 1000 psi. Sting out of CR. Roll hole Pressure test casing to 600 psi. TOOH.
9. MIRU logging truck. Run CBL log from CR to surface. Hold 600 psi on casing if possible. Electronic copy of CBL to be sent to; Monica Kuehling, NMOCD mkuehling@state.nm.us, Kenneth Renneck, BLM krenneck@blm.gov, Scott Lindsay, DJR slindsay@djrlc.com, and Loren Diede, DJR ldiede@djrlc.com.
10. Plug 2: Chacra: Sting back into CR and attempt to squeeze below with 10 sx. Sting out and spot plug on top of CR to bring TOC to 1513'. Pump water to ensure tubing is clear. TOOH.

11. Plug 3: Pictured Cliffs, Fruitland, and Kirtland: Perforate holes at 1214'. TIH with CR and set near 1164'. Mix and pump sufficient volume to bring TOC to 850', inside and outside. Pump water to ensure tubing is clear. TOOH.
12. Plug 4. Ojo Alamo: Perforate holes at 701'. Set CR near 651'. Mix and pump sufficient volume to bring TOC to 601' inside and outside. Pump water to ensure tubing is clear.
13. Plug 5: Surface casing shoe and surface: Perforate holes at 270'. Tie onto 5-1/2" casing and mix and pump sufficient volume to bring cement to surface inside and outside.
14. RD cementing equipment. Cut off wellhead, fill annuli with cement, as necessary. **Install SURFACE P&A marker as per BLM/OCD requirements.** Record GPS coordinates for P&A marker and the final P&A report. Photograph the P&A marker and attach to the report.
15. RD and MO all rig and cement equipment. Assure that location is free of trash before moving off.
16. 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. /sk. Cement volumes are based on inside capacities +50' and outside capacities + 100% excess.

DJR Operating, LLC
Current Wellbore Diagram
Natani 1

API # 30-043-20429
 SE/SE, Unit P, Sec 11, T21N, R6W
 Sandoval County, NM

GL 6985'
 KB 6995'
 Spud Date 6/28/1979

SURF CSG

Hole size 12.25"
 Csg Size: 8.625"
 Wt: 24#
 Grade: K-55
 ID: 8.097"
 Depth 220'
 casing cap ft³/ft: 0.3575
 TOC: Circ. cement to surface

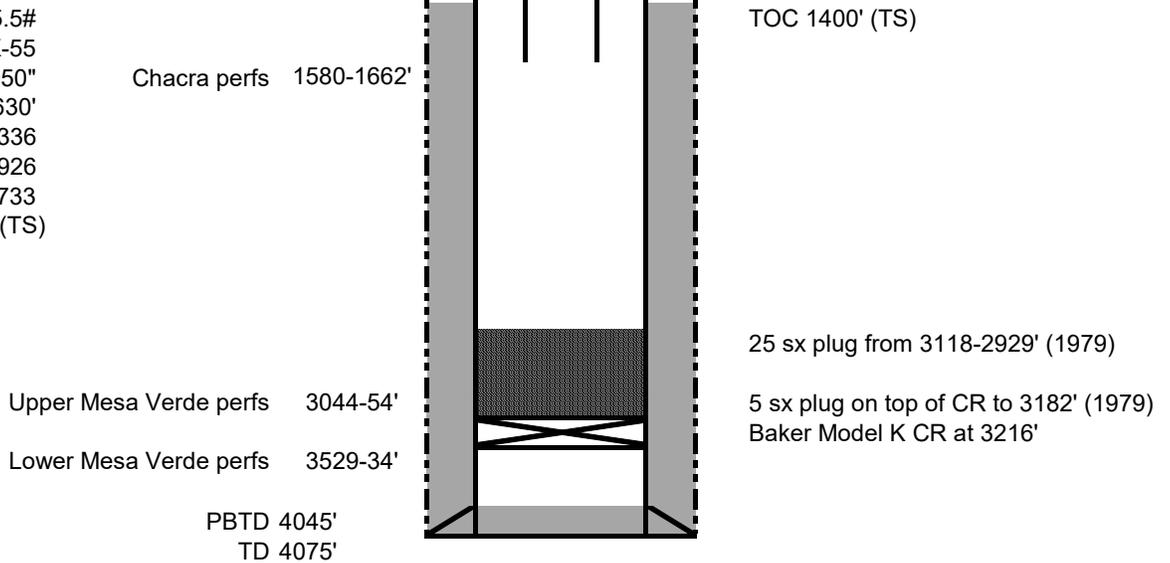
FORMATION TOPS

Nacimiento	Surface
Ojo Alamo	651'
Kirtland	900'
Fruitland	1023'
Pictured Cliffs	1164'
Chacra	1563'
Cliff House	1940'
Menefee	2641'
Point Lookout	3506'

PROD CSG

Hole size 7.875"
 Csg Size: 5.5"
 Wt: 15.5#
 Grade: K-55
 ID: 4.950"
 Depth 3630'
 Casing cap ft³/ft: 0.1336
 Csq/csq Ann. ft³/ft 0.1926
 Csq/OH ft³/ft 0.1733
 TOC: 1400' (TS)

Production Tubing Detail
2-3/8" tubing landed at 1579'



DJR Operating, LLC
Proposed Wellbore Diagram
Natani 1
API # 30-043-20429
SE/SE, Unit P, Sec 11, T21N, R6W
Sandoval County, NM

GL 6985'
KB 6995'
Spud Date 6/28/1979

SURF CSG

Hole size 12.25"
 Csg Size: 8.625"
 Wt: 24#
 Grade: K-55
 ID: 8.097"
 Depth 220'
 casing cap ft3/ft: 0.3575
 TOC: Circ. cement to surface

FORMATION TOPS

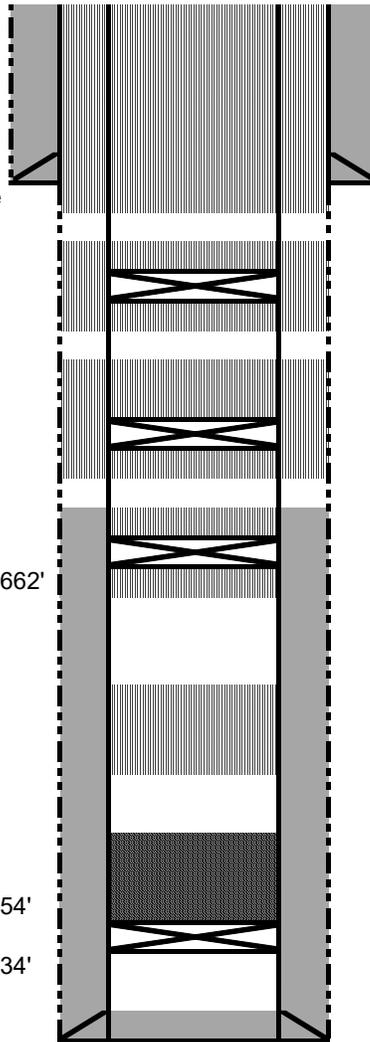
Nacimiento	Surface
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 Depth 3630'
 Casing cap ft3/ft: 0.1336
 Csg/csg Ann. ft3/ft 0.1926
 Csg/OH ft3/ft 0.1733
 TOC: 1400' (TS)

Upper Mesa Verde perms 3044-54'
 Lower Mesa Verde perms 3529-34'

PBTD 4045'
 TD 4075'



Plug 5: Surface casing shoe and surface: Perf holes at 270'. Mix and pump sufficient volume to bring TOC to surface, inside and outside.

Plug 4: Ojo Alamo: Perf holes at 701'. Set CR near 651'. Mix and pump sufficient volume to bring TOC to 601', inside and outside.

Plug 3: Pictured Cliffs, Fruitland, and Kirtland: Perf holes at 1214'. Set CR near 1164'. Mix and pump sufficient volume to bring TOC to 850', inside and outside.

Plug 2: Chacra: Set CR near 1563'. Run CBL. Attempt to pump 10 sx cement through CR. Spot sufficient volume to bring TOC to 1513' on top of CR.

Plug 1: Mesa Verde: Set balanced plug from 1990-1890'.

25 sx plug from 3118-2929' (1979)

5 sx plug on top of CR to 3182' (1979)
 Baker Model K CR at 3216'

All volumes will include 50' excess inside and 100% excess outside.

**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)

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

AFMSS 2 Sundry ID 2699941

Attachment to notice of Intention to Abandon

Well: Natani 1

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. Adjust Plug #1 (Mesaverde/Cliff House) or add a plug, to cover BLM pick for the Cliff House formation top at 2410'.
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 11/8/2022

**BLM FLUID MINERALS
P&A Geologic Report**

Date Completed: 11/08/2022

Well No. Natani #001 (API# 30-043-20429)	Location	930	FSL	&	1160	FEL
Lease No. NMNM25804	Sec. 11	T21N			R06W	
Operator M & M Production & Operation	County	Sandoval		State	New Mexico	
Total Depth 4075'	PBTD 4045'	Formation Chacra/Mesaverde				
Elevation (GL)		Elevation (KB) 6995'				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose					
Nacimiento			Surface	651	Surface/freshwater sands
Ojo Alamo Ss			651	900	Aquifer (possible freshwater)
Kirtland Shale			900	1023	Possible gas
Fruitland			1023	1164	Coal/Gas/Water
Pictured Cliffs Ss			1164	1208	Probable Gas
Lewis Shale			1208	1563	
Chacra			1563	2410	Gas
Cliff House Ss			2410	2641	Gas
Menefee			2641	3506	Gas
Point Lookout Ss			3506	PBTD	Gas
Mancos Shale					
Gallup					
Greenhorn					
Graneros Shale					
Dakota Ss					
Morrison					

Remarks:

P & A

- Note: DJR Operating, LLC is plugging this well as record title owner of the lease.

- Adjust Plug #1 (Mesaverde/Cliff House) or add a plug, to cover BLM pick for the Cliff House formation top at 2410'.

- Chacra perfs 1580' – 1662'.
- Mesaverde perfs 3044' – 3534'.

Reference Well:

1) **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

CONDITIONS

Action 157444

CONDITIONS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 157444
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	CBL required	11/10/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	11/10/2022
kpickford	Adhere to BLM approved COAs and plugs. See BLM COAs and GEO report.	11/10/2022