

<b>Well Name:</b> NATANI	<b>Well Location:</b> T21N / R6W / SEC 14 / NENW / 36.055025 / -107.442238	<b>County or Parish/State:</b> SANDOVAL / NM
<b>Well Number:</b> 10	<b>Type of Well:</b> CONVENTIONAL GAS WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMNM17007	<b>Unit or CA Name:</b>	<b>Unit or CA Number:</b>
<b>US Well Number:</b> 3004320613	<b>Well Status:</b> Producing Gas Well	<b>Operator:</b> M & M PRODUCTION & OPERATION

**Notice of Intent**

**Sundry ID:** 2699958

**Type of Submission:** Notice of Intent

**Type of Action:** Plug and Abandonment

**Date Sundry Submitted:** 10/27/2022

**Time Sundry Submitted:** 10:25

**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 NMNM17007.

**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**

NMNM17007\_Natani\_010\_3004320613\_NOIA\_09232022\_20221027102500.pdf

FINAL SURVEYS - CIMAREX ARMACOST 6-33H GYRO + MWD TO 17707FT.PDF

ARMACOST 6-33H 1002A.PDF

CEMENT REPORTS.PDF

Well Name: NATANI

Well Location: T21N / R6W / SEC 14 / NENW / 36.055025 / -107.442238

County or Parish/State: SANDOVAL / NM

Well Number: 10

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMNM17007

Unit or CA Name:

Unit or CA Number:

US Well Number: 3004320613

Well Status: Producing Gas Well

Operator: M & M PRODUCTION & OPERATION

**Conditions of Approval**

**Additional**

21N06W14CKmv\_Natani\_010\_20221108135618.pdf

**Authorized**

2699958\_NOIA\_10\_3004320613\_KR\_11092022\_20221109122448.pdf

NMNM17007\_NOIA\_10\_NOIA\_APPROVED\_11092022\_20221109122442.pdf

General\_Requirement\_PxA\_20221109122435.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:** 11/09/2022

**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.*

<b>SUBMIT IN TRIPLICATE - Other instructions on page 2</b>		5. Lease Serial No. <b>NMNM17007</b>
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>DJR OPERATING, LLC</b>		7. If Unit of CA/Agreement, Name and/or No.
3a. Address <b>1 ROAD 3263 AZTEC, NM 87410</b>		8. Well Name and No. <b>Natani #010</b>
3b. Phone No. (include area code) <b>(505) 632-3476</b>		9. API Well No. <b>30-043-20613</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>800' FNL x 1800' FWL / C-14-21N-06W / 36.055027 -107.442268</b>		10. Field and Pool or Exploratory Area <b>Rusty Chacra</b>
		11. Country or Parish, State <b>Sandoval County, NM</b>

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 detennined 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) <b>Shaw-Marie Ford</b>	Title Regulatory Specialist
Signature <i>Shaw-Marie Ford</i>	Date 09/21/2022

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Kenneth Rensieck</i>	Title <b>PETROLEUM ENGINEER</b>	Date <b>11/09/2022</b>
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.	Office <b>FARMINGTON FIELD OFFICE</b>	

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 #010**  
**API # 30-043-20613**  
**NW/NE, Unit C, Sec. 14, 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 1450'. TOOH.
7. PU and TIH with 4-1/2" CR and set near 1450'. Pressure test tubing to 1000 psi. Sting out of CR. Roll hole Pressure test casing to 600 psi. TOOH.
8. Plug 1: 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 1400'. Pump water to ensure tubing is clear. TOOH.
9. Plug 2: Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo: Spot balanced plug from 1111-510'. Pump water to ensure tubing is clear. TOOH.
10. Plug 3. Nacimiento, surface casing shoe and surface: Spot balanced plug from 286' to surface.
11. 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.

12. RD and MO all rig and cement equipment. Assure that location is free of trash before moving off.
13. 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 10**  
**API # 30-043-20613**  
**NW/NE, Unit C, Sec 14, T21N, R6W**  
**Sandoval County, NM**

**GL 6918'**  
**KB 6928'**  
**Spud Date 6/22/1982**

SURF CSG

Hole size 12.25"  
 Csg Size: 8.625"  
 Wt: 24#  
 Grade: K-55  
 ID: 8.097"  
 Depth 97'  
 casing cap ft<sup>3</sup>/ft: 0.3575  
 TOC: Circ. cement to surface.

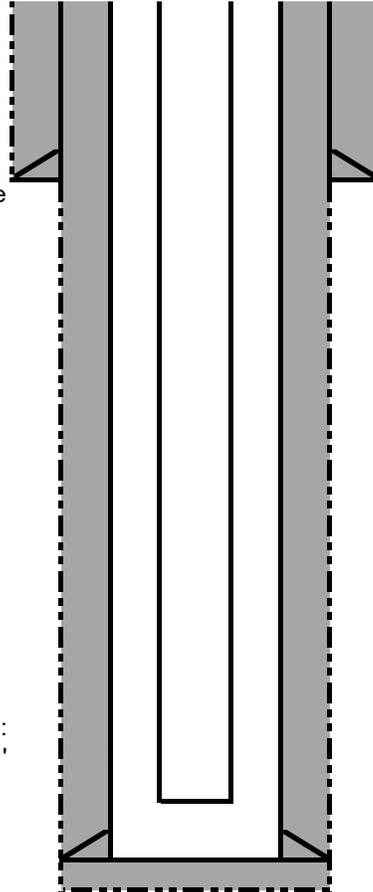
FORMATION TOPS

San Jose	Surface
Nacimiento	236'
Ojo Alamo	560'
Kirtland	798'
Fruitland	984'
Pictured Cliffs	1061'
Chacra	1472'

PROD CSG

Hole size 7.875"  
 Csg Size: 4.5"  
 Wt: 10.5#  
 Grade: K-55  
 ID: 4.052"  
 Depth 1768'  
 Casing cap ft<sup>3</sup>/ft: 0.0895  
 Csq/csq Ann. ft<sup>3</sup>/ft 0.2471  
 Csg/OH ft<sup>3</sup>/ft 0.2278  
 TOC: Circ. cement to surface.

Chacra perms:  
 1477-1571'  
  
 PBTD 1752'  
 TD 1788'



<b>Production Tubing Detail</b>
2-3/8" tubing landed at 1521'

**DJR Operating, LLC**  
**Proposed Wellbore Diagram**  
**Natani 10**  
 API # 30-043-20613  
 NW/NE, Unit C, Sec 14, T21N, R6W  
 Sandoval County, NM

GL 6918'  
 KB 6928'  
 Spud Date 6/22/1982

SURF CSG

Hole size 12.25"  
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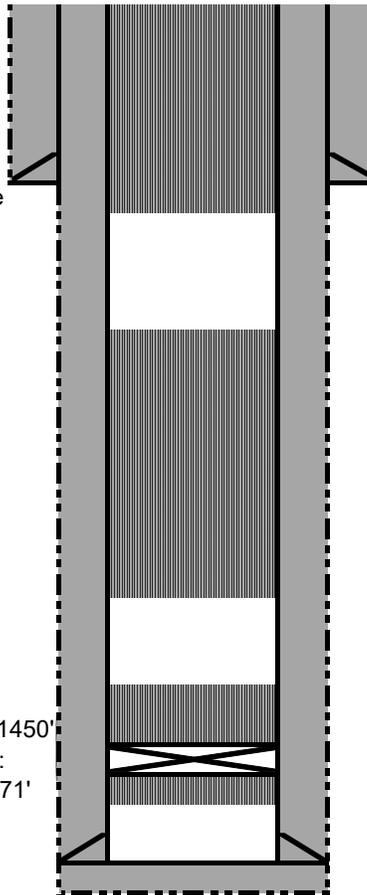
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 Grade: K-55  
 ID: 4.052"  
 Depth 1768'  
 casing cap ft<sup>3</sup>/ft: 0.0895  
 Csg/csg Ann. ft<sup>3</sup>/ft 0.2471  
 Csg/OH ft<sup>3</sup>/ft 0.2278  
 TOC: Circ. cement to surface.

Cement Ret. 1450'  
 Chacra perms:  
 1477-1571'  
 PBTD 1752'  
 TD 1788'



**Plug 3: Nacimiento, surface casing shoe, surface: Spot balanced plug from 286' to surface.**

**Plug 2: Pictured Cliffs, Fruitland, Kirtland, Ojo Alamo: Spot balanced plug from 1111-510'.**

**Plug 1: Chacra: Set CR near 1450'. Attempt to pump 10 sx cement through CR. Spot 50' on top of CR.**

**All volumes will include 50' excess inside.**

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

AFMSS 2 Sundry ID 2699958

Attachment to notice of Intention to Abandon

Well: Natani 10

**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.

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 11/9/2022

**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 H<sub>2</sub>S.

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

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

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

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

(October 2012 Revision)

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

**Date Completed:** 11/08/2022

Well No. Natani #010 (API# 30-043-20613)	Location	800	FNL	&	1800	FWL
Lease No. NMNM17007	Sec. 14	T21N			R06W	
Operator M & M Production & Operation	County	Sandoval		State	New Mexico	
Total Depth 1788'	PBTD 1752'	Formation Chacra				
Elevation (GL)		Elevation (KB) 6928'				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose			Surface	236	Surface/freshwater sands
Nacimiento			236	560	Freshwater sands
Ojo Alamo Ss			560	798	Aquifer (possible freshwater)
Kirtland Shale			798	984	Possible gas
Fruitland			984	1061	Coal/Gas/Water
Pictured Cliffs Ss			1061	1107	Probable Gas
Lewis Shale			1107	1472	
Chacra			1472	PBTD	Gas
Cliff House Ss					
Menefee					
Point Lookout Ss					
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.
- Chacra perfs 1477' – 1571'.

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 157454

**CONDITIONS**

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 157454
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

**CONDITIONS**

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