

OIL CONS. DIV DIST. 3

DISTRICT I P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION 2040 Pacheco St. Santa Fe, NM 87505

DISTRICT II P.O. Drawer DD, Artesia, NM 88210

DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO. 30-045-33114 2017

5. Indicate Type of Lease STATE [] FEE [X]

6. State Oil & Gas Lease No. NMNM 113754

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)

7. Lease Name or Unit Agreement Name Bryan Simpson

1. Type of Well: OIL WELL [X] GAS WELL [] OTHER []

8. Well No. 2

2. Name of Operator DJR Operating, LLC

9. Pool name or Wildcat Bisti Lower Gallup

3. Address of Operator PO BOX 156 Bloomfield, NM 87413

4. Well Location Unit Letter H : 1675 Feet From The North Line and 680 Feet From The East Line Section 32 Township 25N Range 11W NMPM San Juan County

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 6490 GLE

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data. NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK [], PLUG AND ABANDON [], TEMPORARILY ABANDON [], CHANGE PLANS [], PULL OR ALTER CASING [], OTHER: []. SUBSEQUENT REPORT OF: REMEDIAL WORK [], ALTERING CASING [], COMMENCE DRILLING OPNS. [], PLUG AND ABANDONMENT [X], CASING TEST AND CEMENT JOB [], OTHER: []

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent date, including estimated date of starting any proposed work) SEE RULE 1103.

DJR Operating LLC on behalf of Elm Ridge Exploration Co LLC plugged and abandoned this well as follows: 11-28-17: Move in rig up. 11-30-17: Pull tubing from hole. Set 5 1/2" cement retainer at 3842'. 12-4-17: Stung out of retainer. Set Plug #1 at 3750'. Pumped 145 sks of Class G neat cement mixed at 15.7# 1.15 yield. Left 20 sks on top of reatiner. Top of cement at 3750'. Set Plug #2 at 2025' to surface. Pumped 233 sks of Class G neat cement. Circulated cement and water to surface. Pumped 50 sks of Class G neat cement circulated 3 bbls good cement to pit. All plugs were witnessed by John Durham, inspector for the NMOCD. Rig down and move off location.

* Use current OCD Forms future sundrys filed on old forms will be denied.

PNR Only [Signature]

SIGNATURE Amy Archuleta TITLE Regulatory Supervisor DATE 12/12/17 TYPE OR PRINT NAME TELEPHONE NO. 505-632-3476 x201

(This space for State Use) APPROVED BY [Signature] TITLE AV DATE 1/10/18

CONDITIONS OF APPROVAL, IF ANY: Approved for plugging of wellbore only. Liability under bond is retained pending Receipt of C-103 (Subsequent Report of Well Plugging) which may be found @ OCD web page under forms www.emnrd.state.us/ocd

HALLIBURTON

iCem[®] Service

DJR OPERATING LLC

For: Johnny Angel

Date: Monday, December 04, 2017

BRYAN SIMPSON - 2

BRYAN SIMPSON - 2

Case 1

Job Date: Monday, December 04, 2017

Sincerely, John Keane

Legal Notice

Warning Disclaimer

Although the information contained in this report is based on sound engineering practices, the copyright owner(s) does (do) not accept any responsibility whatsoever, in negligence or otherwise, for any loss or damage arising from the possession or use of the report whether in terms of correctness or otherwise. The application, therefore, by the user of this report or any part thereof, is solely at the user's own risk.

Limitations of Liability

Except as expressly set forth herein, there are no representations or warranties by Halliburton, express or implied, including implied warranties of merchantability and/or fitness for a particular purpose. In no event will Halliburton or its suppliers be liable for consequential, incidental, special, punitive or exemplary damages (including, without limitation, loss of data, profits, use of hardware, or software). Customer accepts full responsibility for any investment made based on results from the Software. Any interpretations, analyses or modeling of any data, including, but not limited to Customer data, and any recommendation or decisions based upon such interpretations, analyses or modeling are opinions based upon inferences from measurements and empirical relationships and assumptions, which inferences and assumptions are not infallible, and with respect to which professional may differ. Accordingly, Halliburton cannot and does not warrant the accuracy, correctness or completeness of any such interpretation, recommendation, modeling or other products of the Software Product. As such, any interpretation, recommendation or modeling resulting from the Software for the purpose of any drilling, well treatment, production or financial decision will be at the sole risk of Customer. Under no circumstances will Halliburton or its suppliers be liable for any damages.

Table of Contents

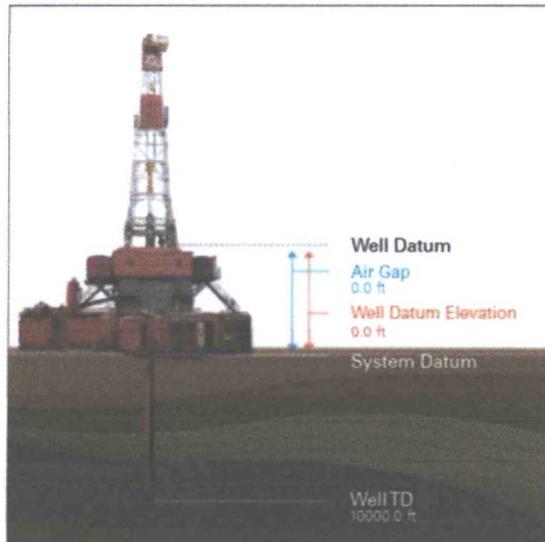
Job Design 4
 Overview 4
Real-Time Job Summary..... 5
 Job Event Log 5
Attachments..... 8
 Case 1-Custom Results.png 8
 PLUG 2-Custom Results (1).png..... 9
 PLUG 3-Custom Results (1).png..... 10

1.0 Job Design

1.1 Overview

Job Type	Primary Cement Job
Injection Path	Casing/Conventional
Foam Job	No

Well Snapshot



Simulations Performed

2.0 Real-Time Job Summary

2.1 Job Event Log

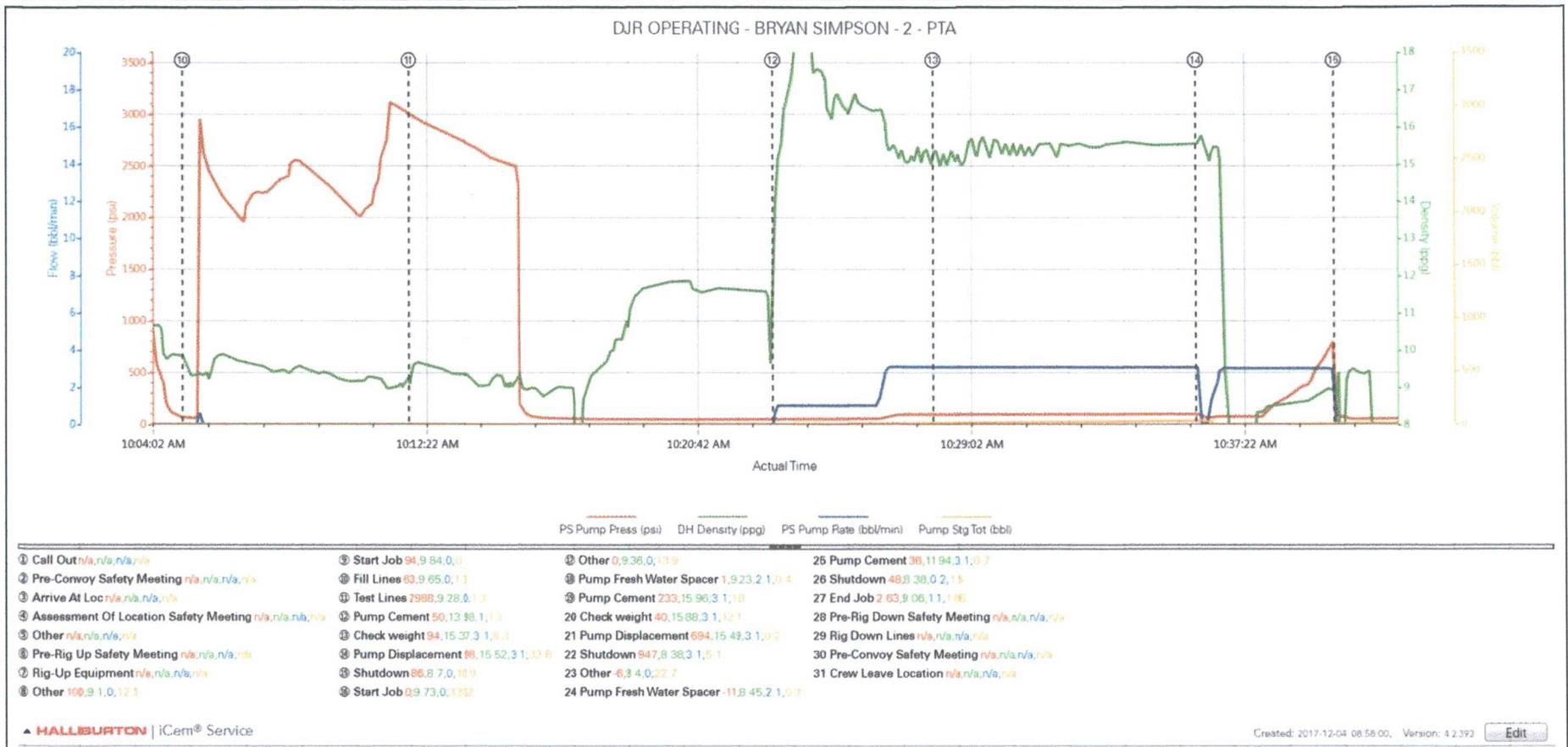
Type	Seq. No.	Activity	Graph Label	Date	Time	Source	Pass-Side Pump Pressure (psi)	Downhole Density (ppg)	Pass-Side Pump Rate (bbl/min)	Pump Stage Total (bbl)	Comments
Event	1	Call Out	Call Out	12/4/2017	03:30:00	USER					WITH HES, REQUESTED ON LOCATION TIME 08:00
Event	2	Pre-Convoy Safety Meeting	Pre-Convoy Safety Meeting	12/4/2017	06:30:00	USER					WITH HES, JSA COMPLETED, 1 F-450, 1 RED TIGER CEMENTING UNIT, 1 660 BULK TRUCK
Event	3	Arrive At Loc	Arrive At Loc	12/4/2017	08:00:00	USER					RIG CIRCULATING, UPON HES ARRIVAL
Event	4	Assessment Of Location Safety Meeting	Assessment Of Location Safety Meeting	12/4/2017	08:15:00	USER					WITH HES, JSA COMPLETED, SDS OFFERED FOR ALL HES MATERIALS
Event	5	Other	Other	12/4/2017	08:20:00	USER					WATER TEST: CHLOR O, PH 7.1, TEMP 54 DEG F
Event	6	Pre-Rig Up Safety Meeting	Pre-Rig Up Safety Meeting	12/4/2017	08:30:00	USER					WITH HES, JSA COMPLETED
Event	7	Rig-Up Equipment	Rig-Up Equipment	12/4/2017	08:35:00	USER					1 LINE RAN TO THE FLOOR, 1 LINE RAN TO THE PIT, 1 2.375 IN. TUBING SWEDGE
Event	8	Other	Other	12/4/2017	09:30:00	USER	100.00	9.10	0.00	12.3	TB 3842 FT, CEMENT RETAINER AT 3842 FT, TOP PERF 4860 FT, BOTTOM PERF AT 4935 FT, CSG 5.5 IN 15.5 LB/FT J-55
Event	9	Start Job	Start Job	12/4/2017	09:57:15	COM4	94.00		0.00	0.0	
Event	10	Prime Pumps	Fill Lines	12/4/2017	10:04:59	USER	63.00	8.33	0.00	5.0	5 BBL FRESH WATER
Event	11	Test Lines	Test Lines	12/4/2017	10:11:52	USER	2988.00	8.33	0.00	1.3	LOW TEST AT 1800 PSI, HIGH TEST AT 2988 PSI

Event	12	Pump Cement	Pump Cement	12/4/2017	10:23:03	COM4	50.00	15.80	1.00	1.3	MIXED AT 15.8 LB/GAL, 147 SKS, 1.15 FT3/SK, 5.09 GAL/SK, DENSITY VERIFIED USING PRESSURIZED MUD SCALES
Event	13	Check Weight	Check weight	12/4/2017	10:27:56	COM4	94.00	15.80	3.10	8.3	DENSITY VERIFIED USING PRESSURIZED MUD SCALES
Event	14	Pump Displacement	Pump Displacement	12/4/2017	10:35:57	USER	98.00	15.80	3.10	32.8	11.5 BBL FRESH WATER
Event	15	Shutdown	Shutdown	12/4/2017	10:40:09	USER	86.00	8.70	0.00	10.9	SHUTDWN, 127 SKS BELOW THE RAINER, 20 SKS LEFT ON TOP OF THE RETAINER, RIG STUNG OUT OF THE RETAINER AND PULLED TUBING OUT OF THE HOLE
Event	16	Other	Other	12/4/2017	13:38:40	USER	0.00	9.36	0.00	13.9	TUBING SET AT 2025 FT
Event	17	Pump Spacer	Pump Fresh Water Spacer	12/4/2017	13:39:57	USER	1.00	8.33	2.10	0.4	5 BBL FRESH WATER
Event	18	Pump Cement	Pump Cement	12/4/2017	13:46:25	USER	233.00	15.96	3.10	1.8	MIXED AT 15.8 LB/GAL, 235 SKS, 1.15 FT3/SK, 5.09 GAL/SK, DENSITY VERIFIED USING PRESSURIZED MUD SCALES
Event	19	Check Weight	Check weight	12/4/2017	13:49:41	COM4	40.00	15.88	3.10	12.1	
Event	20	Pump Displacement	Pump Displacement	12/4/2017	13:58:51	USER	694.00	15.49	3.10	0.2	OVER DISPLACED THE PLUG 4 BBL, PER COMPANY REP, TRACE OF FRESH WATER CIRCULATED TO SURFACE, PLUG SET FROM 2025 FT TO SURFACE
Event	21	Shutdown	Shutdown	12/4/2017	14:00:25	USER	947.00	8.38	3.10	5.1	RIG PULLED TUBING OUT OF THE HOLE
Event	22	Other	Other	12/4/2017	17:43:29	USER	-6.00	8.40	0.00	22.7	TUBING SET AT 120 FT
Event	23	Pump Spacer	Pump Fresh Water Spacer	12/4/2017	17:44:26	USER	-11.00	8.45	2.10	7.0	7 BBL FRESH WATER, RETURNS AT 5 BBL AWAY

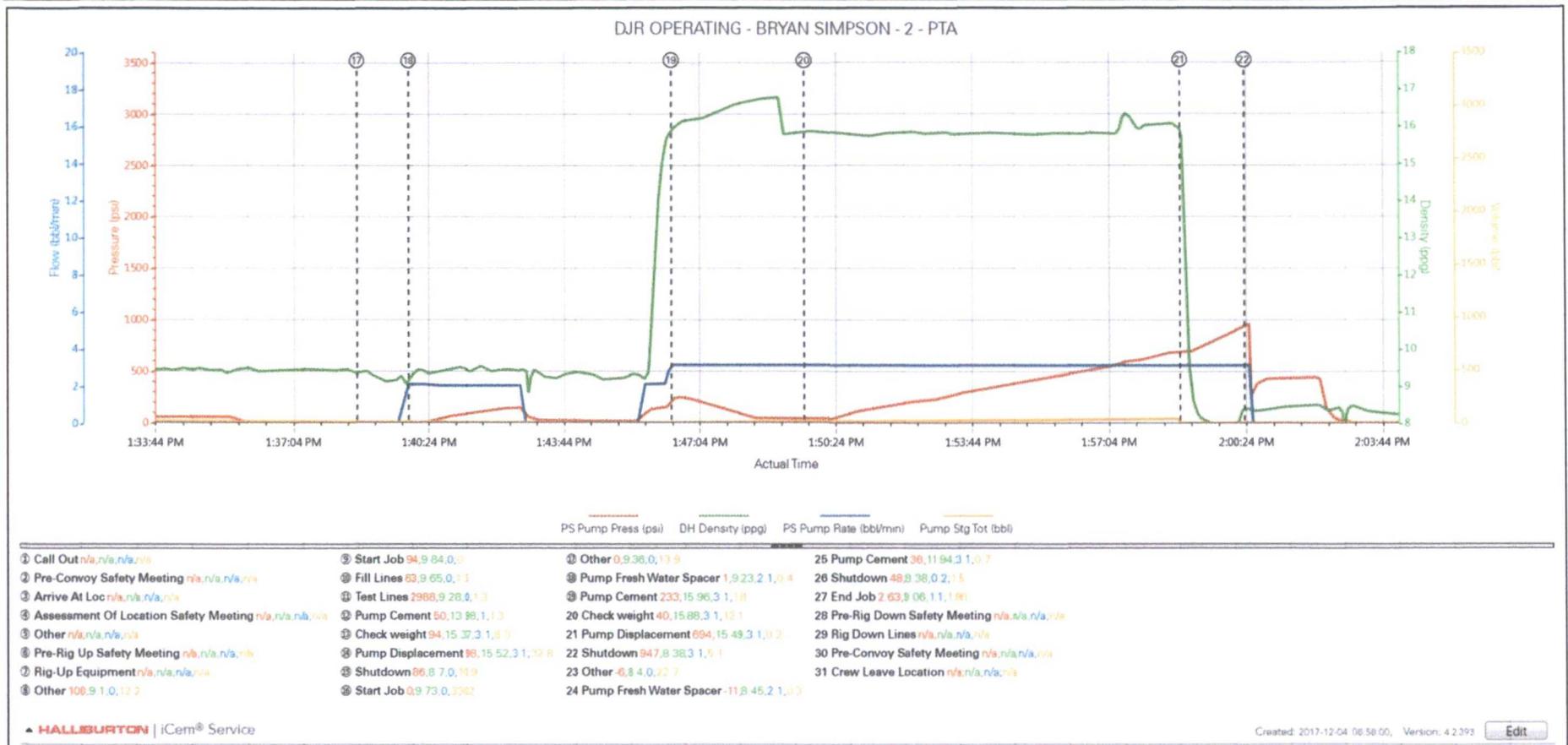
Event	24	Pump Cement	Pump Cement	12/4/2017	17:53:59	USER	36.00	15.8	3.10	10.2	MIXED AT 15.8 LB/GAL, 65 SKS, 1.15 FT3/SK, 5.09 GAL/SK, DENSITY VERIFIED USING PRESSURIZED MUD SCALES
Event	25	Shutdown	Shutdown	12/4/2017	18:01:04	USER	48.00	8.38	0.20	1.5	CIRCULATED 3 BBL CEMENT TO SURFACE
Event	26	End Job	End Job	12/4/2017	18:06:08	COM4					GOOD CIRCULATION, 2 ADD HOURS CHARGED, RIG USED 100 LBS SUGAR
Event	27	Pre-Rig Down Safety Meeting	Pre-Rig Down Safety Meeting	12/4/2017	18:11:00	USER					WITH HES, JSA COMPLETED
Event	28	Rig Down Lines	Rig Down Lines	12/4/2017	18:20:00	USER					
Event	29	Pre-Convoy Safety Meeting	Pre-Convoy Safety Meeting	12/4/2017	18:40:00	USER					WITH HES, JSA COMPLETED
Event	30	Crew Leave Location	Crew Leave Location	12/4/2017	18:45:00	USER					THANKS FOR USING HALLIBURTON, JOHN KEANE AND CREW

3.0 Attachments

3.1 Case 1-Custom Results.png



3.2 PLUG 2-Custom Results (1).png



3.3 PLUG 3-Custom Results (1).png

