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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

5. Lease Serial No.
JIC360

6. If Indian, Allottee or Tribe Name
JICARILLA APACHE

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

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
CHACON AMIGOS 2

2. Name of Operator
DJR OPERATING LLC
Contact: AMY ARCHULETA
E-Mail: aarchuleta@djrllc.com

9. API Well No.
30-043-20490-00-S1

3a. Address
1600 BROADWAY SUITE 1600
DENVER, CO 80202

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

10. Field and Pool or Exploratory Area
WEST LINDRITH

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 2 T22N R3W NESE 1850FSL 990FEL

11. County 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			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
BP	☐ Change Plans	☒ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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.

DJR Operating, LLC plugged and abandoned this well per the attached report.

NMOCD

SEP 27 2019

DISTRICT III

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #476138 verified by the BLM Well Information System
For DJR OPERATING LLC, sent to the Rio Puerco
Committed to AFMSS for processing by JOHN HOFFMAN on 08/20/2019 (19JH0011SE)

Name *(Printed/Typed)* AMY ARCHULETA — Title REGULATORY SPECIALIST

Signature (Electronic Submission) — Date 07/31/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED — Title JOHN HOFFMAN PETROLUEM ENGINEER — Date 08/20/2019

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 Rio Puerco

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)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

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DJR Operating LLC

Plug And Abandonment End Of Well Report

Chacon Amigos No. 002

1850' FSL & 990' FEL, Section 2, T22N, R3W

Sandoval County, NM / API 30-043-20490

Work Summary:

6/19/19	Made BLM, NMOCD and Jicarilla P&A operations notifications at 9:00 AM MST.
6/20/19	MOL and R/U P&A unit. Checked well pressures: Tubing: 32 psi, Casing: 18 psi, Bradenhead: 4 psi. Bled down well. N/D wellhead, N/U BOP and function tested. Released tubing anchor and started TOOH but only had 20' of travel with tubing. Worked stuck pipe but never made any progress past 20' of travel. Shut-in well for the day.
6/21/19	Checked well pressures: Tubing: 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. R/U wire line services. RIH with gauge ring and tagged up at 3030' inside 2-3/8" tubing. P/U impression block. RIH and used impression block to determine fish top. Impression showed what was believed to be a 7/8" sucker rod pin but was found to be a plunger stuck in the tubing. Rods will be picked up to fish with on 6/24/19. Shut-in well for the day.
6/24/19	Checked well pressures: Tubing: 10 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. P/U 140 ¾" sucker rods to fish rods in tubing to 3500'. P/U 16 more rods but still never tagged fish at a depth of 3900'. L/D rod string and rod handling equipment. Attempted to pull tubing to 60,000 lbs to get tubing free but was unsuccessful. Ran in tubing with sandline and tagged up at 4200'. Shut-in well for the day. John Hagstrom was BLM inspector on location.
6/25/19	Checked well pressures: Tubing: 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. Waited on additional rods to push tubing

obstruction down hole. P/U sucker rods and chased obstruction down tubing to a depth of 6530'. Stacked rods out on obstruction and couldn't push past 6530'. BLM inspector witnessed tag depth. L/D rod string. Shut-in well for the day. John Hagstrom was BLM inspector on location.

6/26/19 Checked well pressures: Tubing: 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. R/U wire line services. RIH and free pointed tubing at 4158'. Fought paraffin and wellbore build up to get to 4158'. L/D 20 joints of tubing. Shut-in well for the day. John Hagstrom was BLM inspector on location.

6/27/19 Checked well pressures: Tubing: 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. Finished L/D production tubing string. P/U work string and tallied on the way in the hole. Tagged fish at 4326'. TOOH and stood back work string. Shut-in well for the day. John Hagstrom was BLM inspector on location.

6/28/19 Checked well pressures: Tubing: 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. P/U fishing tools. TIH and tagged fish top at 4236'. Dressed fish top and successfully latched over shot onto fish top. TOOH with fish. L/D 232 joints of tubing onto tubing float. Bumper spring and plunger were found inside tubing. Shut-in well for the day. John Hagstrom was BLM inspector on location.

7/1/19 Checked well pressures: Tubing: 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. P/U bit and casing scraper. TIH and tagged tight spot at 5029'. Successfully established circulation and rolled the wellbore clean with fresh water. Attempted to ream through tight spot but made no progress and continued to circulate drilling mud out of wellbore. Circulated and attempted to ream for 3 hours before tripping out of the hole. Shut-in well for the day. John Hagstrom was BLM inspector on location.

7/2/19 Checked well pressures: Tubing: 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. P/U tapered mill and TIH to 5020'. Milled for two hours without making any progress. TOOH with tubing. P/U CR, TIH and set at 5014'. Pressure tested tubing to 1000 psi in which it successfully held pressure. Stung out of CR and circulated the hole clean with fresh water. Attempted to pressure test casing to 800 psi in which it failed to hold pressure. Stung back into CR and attempted to establish injection rate through CR but got circulation back around on top of CR. R/U cementing services. Pumped plug #1 from 5014'-4970' to cover the Mancos formation top. Pumped 4 sx below CR at 5014', stung out of CR and pumped 4 sx on top of CR at 5014'. WOC overnight. Shut-in well for the day. John Hagstrom was BLM inspector on location.

7/3/19 Checked well pressures: Tubing: 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. TIH and tagged plug #1 top at 5000'. Attempted to pressure test casing to 800 psi in which it failed to hold pressure. R/U wire line services. Ran CBL from plug #1 top at 5000' to surface. CBL results were sent to BLM/NMOCD offices for review. RIH and perforated squeeze holes at 4980'. P/U CR, TIH and set at 4934'. R/U cementing services. Squeezed 40 sx of cement through CR at 4934', stung out of CR and spotted 16 sx of cement on top of CR at 4934' to cover the Mancos formation top. TOOH. WOC overnight. Shut-in well for the day. John Hagstrom was BLM inspector on location.

7/8/19 Checked well pressures: Tubing: 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. TIH and tagged plug #2 top at 4815'. Attempted to pressure test casing to 800 psi in which it failed to hold pressure. R/U wire line services. RIH and perforated squeeze holes at 4673'. P/U CR, TIH and set at 4622'. R/U cementing services. Squeezed 159 sx of cement through CR at 4622'. Stung out of CR and spotted 57 sx of cement on top of CR at 4622' to cover the Mesa Verde formation top. WOC 4 hours. TIH and tagged plug #3 top at 4208'. Attempted to circulate wellbore but immediately pressured up. L/D tubing to 3860' and reversed out 8 bbls of cement. TOOH. Shut-in well for the day. John Hagstrom was BLM inspector on location.

7/9/19 Checked well pressures: Tubing: 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. TIH and tagged plug #3 top at 4208'. Attempted to pressure test casing to 800 psi in which it failed to hold pressure. R/U cementing services. Topped-off plug #3. WOC 4 hours. TIH and tagged plug #3 top at 3797'. Pressure tested casing to 800 psi in which it successfully held pressure. R/U cementing services. Pumped plug #4 from 3446'-3146' to cover the Chacra formation top. PUH. Pumped plug #5 from 2686'-2186' to cover the Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo formation tops. Dugout wellhead. Shut-in well for the day. John Hagstrom was BLM inspector on location.

7/10/19 Checked well pressures: Tubing: 0 psi, Casing: 0 psi, Bradenhead: 0 psi. Bled down well. R/U wire line services. RIH and perforated squeeze holes at 1058'. Attempted to establish injection rate into perforations at 1058' but was unsuccessful. R/U cementing services. Pumped plug #6 from 1100'-900' to cover the Nacimiento formation top. L/D tubing to surface. R/U wire line services. RIH and perforated squeeze holes at 260'. R/U cementing services. Successfully established circulation down through perforations at 260' and back around and out Bradenhead valve at surface. Successfully circulated cement down through perforations at 260' and back around and out Bradenhead valve at surface. N/D BOP and cut-off wellhead. Installed

P&A marker per BLM/NMOCD/Jicarilla standards. Ran weighted tally tape down both surface and production casings and tagged cement 15' down in 8.625" surface casing and 10' down in 4.5" production casing. Ran ¾" poly pipe down both casings and topped-off well with 50 sx of cement. Photographed the P&A marker in place and recorded its location via GPS coordinates. R/D and MOL. John Hagstrom was BLM inspector on location.

Plug Summary:

Plug #1: (Dakota Perforations and Formation Top, Gallup, and Mancos formation tops 5014'-5000', 8 Sacks Class G Cement)

P/U CR, TIH and set at 5014'. Mixed 8 sx Class G cement and squeezed 4 sx below CR at 5014'. Stung out of CR and spotted 4 sx of cement on top of CR at 5014' to cover the Dakota perforations and formation top, Gallup and Mancos formation tops.

Plug #2: (Mancos Formation Top 4980'-4815', 56 Sacks Class G cement(Squeezed 40 sx))

RIH and perforated squeeze holes at 4980'. P/U CR, TIH and set at 4934'. Mixed 56 sx Class G cement and squeezed 40 sx below CR at 4934'. Stung out of CR and spotted 16 sx of cement on top of CR at 4934' to cover the Mancos formation top.

Plug #3: (Mesa Verde Formation Top 4673'-3797', 241 Sacks Class G cement(Squeezed 159 sx)

RIH and perforated squeeze holes 4673'. P/U CR, TIH and set at 4622'. Mixed 241 sx Class G cement and squeezed 159 sx below CR at 4622'. Stung out of CR and spotted 82 sx of cement on top of CR at 4622' to cover the Mesa Verde formation top.

Plug #4: (Chacra Formation Top 3446'-3146', 25 Sacks Class G cement)

Mixed 25 sx Class G cement and spotted a balanced plug to cover the Chacra formation top.

Plug #5: (Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo Formation Tops 2686'-2186', 40 Sacks Class G Cement)

Mixed 40 sx Class G cement and spotted a balanced plug to cover the Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo formation tops.

Plug #6: (Nacimiento Formation Top 1100'-900', 19 Sacks Class G cement)

RIH and perforated squeeze holes at 1058'. Attempted to establish injection rate into perforations at 1058' but was unsuccessful. BLM/NMOCD engineers approved spotting a balanced plug to cover the Nacimiento formation top. Mixed 19 sx of Class G cement and spotted a balanced plug to cover the Nacimiento formation top.

Plug #7: (Surface Shoe 260'-surface, 155 Sacks Class G Cement, 50 Sacks for top-off)

RIH and perforated squeeze holes at 260'. R/U cementing services. Successfully established circulation down through perforations at 260' and back around and out Bradenhead valve at surface. Successfully circulated cement down through perforations at 260' and back around and out Bradenhead valve at surface. N/D BOP and cut-off wellhead. Installed P&A marker per BLM/NMOCD/Jicarilla standards. Ran weighted tally tape down both surface and production casings and tagged cement 15' down in 8.625" surface casing and 10' down in 4.5" production casing. Ran ¾" poly pipe down both casings and topped-off well with 50 sx of cement. Photographed the P&A marker in place and recorded its location via GPS coordinates. R/D and MOL.

Wellbore Diagram

Chacon Amigos #002
API #: 3004320490
Sandoval Juan, New Mexico

Plug 7
260 feet - Surface
260 feet plug
155 sacks of Class G Cement
50 sacks for top-off

Plug 6
1100 feet - 900 feet
200 feet plug
19 sacks of Class G Cement

Plug 5
2686 feet - 2186 feet
500 feet plug
40 sacks of Class G Cement

Plug 4
3446 feet - 3146 feet
300 feet plug
25 sacks of Class G Cement

Plug 3
4673 feet - 3797 feet
876 feet plug
241 sacks of Class G Cement
159 sacks squeezed

Plug 2
4980 feet - 4815 feet
165 feet plug
56 sacks of Class G Cement
40 sacks squeezed

Plug 1
5014 feet - 5000 feet
14 feet plug
8 sacks of Class G Cement

Surface Casing
98.625" 24# @ 250 ft

Formation
Ojo Alamo - 2257 ft
Pictured Cliffs - 2617 ft
Chacra - 3377 ft
Cliff House - 3117 ft
Point Lookout - 4697 ft
Gallup - 5727 ft
Graneros - 6782 ft
Dakota - 6817 ft

Retainer @ 5014 feet

Production Casing
4.5" 10.5#+11.6# @ 7120 ft