Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised July 18, 2013

WELL API NO.
30-045-25871

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
E-6597-2

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
Central Bisti Unit

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

8. Well Number #096

2. Name of Operator
DJR Operating, LLC

9. OGRID Number
371838

3. Address of Operator
1 Road 3263 Aztec, NM 87410-9521

10. Pool name or Wildcat
Bisti Lower Galup

4. Well Location
Unit Letter _H_:_1650'_feet from the North_ line and 330'_____feet from the __East__line
Section 16 Township 25N Range 12W NMPM County San Juan

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
6221' GL

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☒	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
CLOSED-LOOP SYSTEM	☐						
OTHER:	☐			OTHER:			☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

DJR Operating, LLC proposes to remediate the gas bubbles found post P&A in the 5 1/2" x 8 5/8" annulus per attached proposed procedure.

NMOCD
SEP 13 2019
DISTRICT III

* Submit CBL and remediation plan to the OCD for review and approval prior to cementing or perforating

* File Subsequent Sundry of P&A Operations

Spud Date: 9-12-19 Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [signature] TITLE Manager of Government and Regulatory Affairs DATE 09-12-19

Type or print name Dave Brown E-mail address: DBrown @djrllc.com PHONE: 1-303-887-3695

For State Use Only

APPROVED BY: [signature] TITLE SUPERVISOR DISTRICT #3 DATE 9/25/19

Conditions of Approval (if any):

AV

3

DJR Operating

Central Bisti Unit # 96
Section 16, T25N, R12W
API#: 30-045-25871
Sept 10, 2019
LD

TD:	4960'
Surface Csg:	8-5/8" 24# @ 219'
PBTD:	4' (Top P&A cement plug)
Casing:	5-1/2" 15.5# @ 4955'
BHT:	145 °F
KB:	12'

History: The plugging procedure for this well was approved and posted on the NMOCD web site on Dec 26, 2018. The well was plugged in August 2019. The surface and production casings were cut off in preparation to place the DH marker. Prior to placing the top-off plug, bubbles were noted in the 5 ½" x 8 5/8" annulus. NMOCD requested that the annulus be left exposed to observe if the bubbles would stop. The bubbles continued to be observed. NMOCD then requested that the bubbles be tested and the test was conducted on August 30, 2019. The analysis indicated that the bubbles were 23% methane.

Remediation Procedure:

Cellar Preparation

1. MIRU WSI. Hold safety meeting. Excavate enough cellar to allow the 8 5/8" casing to be cut off 8" below the present level. 5 ½" casing is to remain as is.

2. Machine 2 O-ring grooves inside the base of a 5 ½" x 8 5/8" "Larkin-type" WH with outlet valve (s).

3. Slip the Larkin head over the 8 5/8" surface casing stub. Secure onto 8 5/8" casing with set screws. Install pack-off around the 5 ½" casing stub. Attach a hose to the 5 ½" x 8 5/8" annulus outlet to allow any gas to be vented away from the cellar area.

4. Weld a 4' piece of 5 ½" casing on top of the 5 ½" casing stub with a slip collar. Install a 7 1/16" x 5K flange on top of the 5 ½" casing extension.

Rig Work

5. MIRUSU. Hold safety meeting.

6. NU BOP.

7. Drill out the cement plug from surface to 269'.

8. Load hole from the plug at 600' to surface.

9. MIRU Basin Logging. Run CBL log from 600' to surface.

10. Based on the CBL results, perforate 4 squeeze holes just below the 8 5/8" casing shoe.

11. Attempt to pump into the squeeze holes. Note rate and pressure. Note pressure fall-off rate.

12. Based on the results from Step # 11, a cement design will be prepared.

13. After pumping cement, remove the "Larkin-type" head and observe the 5 ½" x 8 5/8" annulus for any bubbles.