

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. JIC39
2. Name of Operator DJR OPERATING LLC		6. If Indian, Allottee or Tribe Name JICARILLA APACHE
Contact: SHAW-MARIE CRUES E-Mail: scrues@djrlc.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 1600 BROADWAY SUITE 1600 DENVER, CO 80202	3b. Phone No. (include area code) Ph: 505-632-3476	8. Well Name and No. AXI APACHE C 11
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 4 T23N R5W SESE 990FSL 990FEL 36.249523 N Lat, 107.361354 W Lon		9. API Well No. 30-039-05146-00-S1
		10. Field and Pool or Exploratory Area BALLARD
		11. County or Parish, State RIO ARRIBA 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 recompleat 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 recompleat 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 requests permission to Plug & Abandon the subject well per the attached procedure, wellbore diagram, and reclamation plan.

NMOCD

Notify NMOCD 24 hrs
prior to beginning
operations

NOV 20 2019

DISTRICT III

14. I hereby certify that the foregoing is true and correct. Electronic Submission #474565 verified by the BLM Well Information System For DJR OPERATING LLC, sent to the Rio Puerco Committed to AFMSS for processing by ALBERTA WETHINGTON on 07/30/2019 (19AMW0026SE)	
Name (Printed/Typed) SHAW-MARIE CRUES	Title HSE TECHNICIAN
Signature (Electronic Submission)	Date 07/22/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>JOE KILLINS</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>11/19/201</u>
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 <u>Rio Puerco</u>

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 ****

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

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: DJR AXI Apache C11

API: 30-039-05146

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 (505) 564-7750.
3. After setting CR, run a CBL from 2050 to surface. Submit electronic copy of the CBL for verification to the following addresses: jkillins@blm.gov , jhoffman@blm.gov and Brandon.Powell@state.nm.us . Based on CBL results inside/outside plugs and volumes will be adjusted accordingly. Please review the General Requirements document to ensure volumes meet required excess inside and outside casing.
4. BLM pick: top of Ojo Alamo is 1623 ft. Modify Plug #3 to cover 1673-1573 ft.

BLM FLUID MINERALS Geologic Report

Date Completed: 11/18/2019

Well No.	AXI Apache C #11	Location	990	FSL	&	990	FEL
Lease No.	Jicarilla Contract 39	Sec.	04	T23N			R05W
Operator	DJR Operating	County	Rio Arriba	State		New Mexico	
Total Depth	2210	PBTD	2180	Formation	Pictured Cliffs		
Elevation (GL)	6634	Elevation (KB)	6644				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm			Surface	290	Surface/Fresh water sands
Nacimiento Fm			290	1623	Fresh water sands
Ojo Alamo Ss			1623	1750	Aquifer (fresh water)
Kirtland Shale			1750	1937	
Fruitland Fm			1937	2110	Coal/Gas/Possible water
Pictured Cliffs Ss			2110	PBTD	Gas
Lewis Shale					
Chacra					
Cliff House Ss					Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos Shale					
Gallup					O&G/Water
Graneros Shale					
Dakota Ss					O&G/Water

Remarks:

P & A

- BLM geologist's pick for the top of the Ojo Alamo and Kirtland formations vary from operators.
- Log analysis of reference well #2 (attached worksheet) indicates the Nacimiento and Ojo Alamo sands investigated contain fresh water ($\leq 5,000$ ppm TDS).
- Please ensure that the tops of the Pictured Cliffs, Fruitland, and Kirtland formations, as well as the entire Ojo Alamo fresh water aquifer identified in this report are isolated by proper placement of cement plugs. This will protect the fresh water sands in this well bore.

Reference Well:

1) Same

Fm. Tops

2) Elm Ridge Exploration
AXI Apache A #1
990' FNL, 1140' FWL
Sec. 15, T23N, R05W
GL 6854', KB 6865'

Water
Analysis

Prepared by: Chris Wenman

PLUG AND ABANDONMENT PROCEDURE

February 18, 2019

AXI Apache C #11

Ballard Pictured Cliffs

990' FSL & 990' FEL, Section 4, T23N, R5W, Rio Arriba County, New Mexico

API 30-039-05146 / Long _____ / _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class G, mixed at 15.8 ppg with a 1.15 cf/sx yield.

1. This project will use an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes X , No _____, Unknown_____.
Tubing: Yes X , No _____, Unknown_____, Size 2-3/8" , Length 2100'.
Packer: Yes _____, No X , Unknown_____, Type _____.
4. **Plug #1 (Pictured Cliffs perforations, Pictured Cliffs and Fruitland Coal tops, 2070' – 1887'):** R/T 4.5" with gauge ring or mill to 2070'. RIH and set 4.5" CR at 2070'. Pressure test tubing to 1000#. Circulate hole clean. Attempt to pressure test casing to 800#. If casing does not test then spot or tag subsequent plugs as necessary. Mix and pump 24 sxs Class G cement and spot a balanced plug inside casing to isolate the Pictured Cliffs perforations, Pictures Cliffs and Fruitland Coal tops. PUH.
5. **Plug #2 (Kirtland top, 1780' - 1680'):** Mix and pump 12 sxs Class G cement and spot a balanced plug inside casing to cover the Kirtland top. PUH.
6. **Plug #3 (Ojo Alamo top, 1619' - 1519'):** Mix and pump 12 sxs Class G cement and spot a balanced plug inside casing to cover the Ojo Alamo top. PUH.
7. **Plug #4 (8-5/8" Surface casing shoe and Surface, 350' - Surface):** Perforate 4 squeeze holes at 350'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 113 sxs Class G cement and pump down the 4.5" casing to circulate good cement out bradenhead. Shut in well and WOC.
8. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and cut off anchors. Restore location per BLM stipulations.

AXI Apache C #11

Current

Ballard Pictured Cliffs

Today's Date: 2/18/19

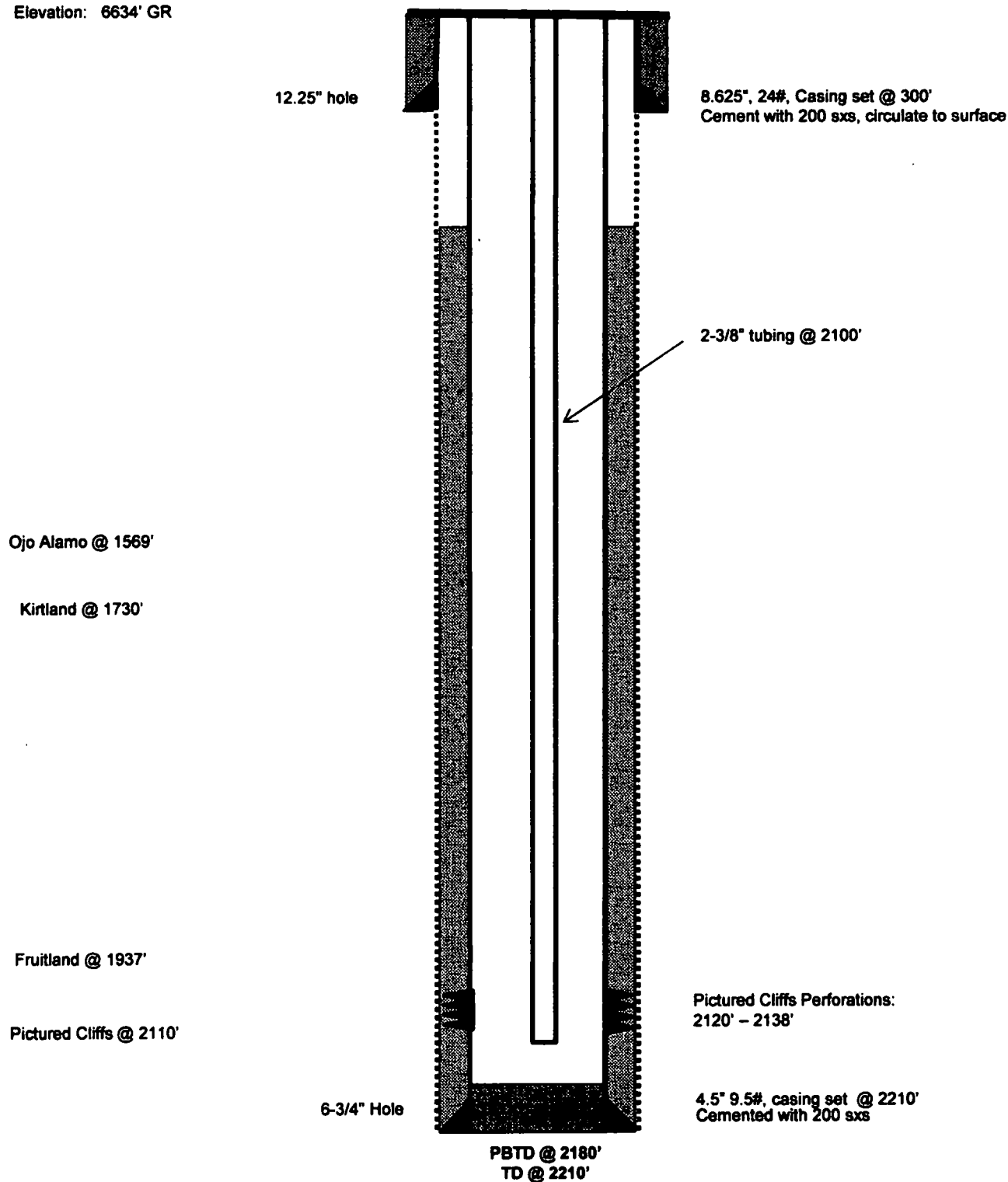
Spud: 8/29/63

Completion: 9/11/63

Elevation: 6634' GR

990' FSL & 990' FEL, Section 4, T23N, R5W, Rio Arriba County, NM

Lat: _____ N / Lat: _____ W, API #30-039-05146



AXI Apache C #11

Proposed P&A

Ballard Pictured Cliffs

Today's Date: 2/18/19

990' FSL & 990' FEL, Section 4, T23N, R5W, Rio Arriba County, NM

Spud: 8/29/63

Lat: _____ N / Lat: _____ W, API #30-039-05146

Completion: 9/11/63

Elevation: 6634' GR

