

# NSL Initial Application

RECEIVED: <b>09/05/21</b>	REVIEWER: <b>LRL</b>	TYPE: <b>NSL</b>	APP NO: <b>pLEL2125351888</b>
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

**Applicant:** DJR Operating, LLC **OGRID Number:** 371838  
**Well Name:** Bisti #100H well **API:** pending  
**Pool:** Bisti Lower-Gallup (Oil) Pool & Basin Mancos (Gas) Pool **Pool Code:** 5890 & 97232

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]  
 A. Location - Spacing Unit - Simultaneous Dedication  
 NSL       NSP (PROJECT AREA)       NSP (PRORATION UNIT)       SD
- B. Check one only for [ I ] or [ II ]  
 [ I ] Commingling - Storage - Measurement  
 DHC    CTB    PLC    PC    OLS    OLM  
 [ II ] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
 WFX    PMX    SWD    IPI    EOR    PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.  
 A.  Offset operators or lease holders  
 B.  Royalty, overriding royalty owners, revenue owners  
 C.  Application requires published notice  
 D.  Notification and/or concurrent approval by SLO  
 E.  Notification and/or concurrent approval by BLM  
 F.  Surface owner  
 G.  For all of the above, proof of notification or publication is attached, and/or,  
 H.  No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Kaitlyn A. Luck  
Date

Print or Type Name

Signature

09/05/21  
Date

505-954-7286  
Phone Number

kaluck@hollandhart.com  
e-mail Address



**Kaitlyn A. Luck**  
**Associate**  
 Phone (505) 954-7286  
 KALuck@hollandhart.com

September 05, 2021

**VIA ONLINE FILING**

Adrienne Sandoval, Director  
 Oil Conservation Division  
 New Mexico Department of Energy,  
 Minerals and Natural Resources  
 1220 South Saint Francis Drive  
 Santa Fe, New Mexico 87505

**Re: Application of DJR Operating, LLC, for administrative approval of an unorthodox well location pursuant to Division Rules 19.15.16.15 NMAC for its Bisti #100H well to be completed in the Basin Mancos (Gas) Pool (97232) and the Bisti Lower-Gallup (Oil) Pool (5890) located in the the associated spacing unit comprised of the S/2 NW/4, the SW/4 NE/4, the N/2 S/2 of Section 2, and the SE/4 NE/4 of Section 3, Township 25 South, Range 12 West, N.M.P.M., San Juan County, New Mexico.**

Dear Ms. Sandoval:

DJR Operating, LLC (“DJR Operating”) (OGRID No. 371838) seeks administrative approval of an unorthodox well location for its **Bisti #100H well** (API No. pending) to be completed within the Basin Mancos (Gas) Pool (97232) underlying the S/2 NW/4, the SW/4 NE/4, the N/2 S/2, of Section 2, and the Bisti Lower-Gallup (Oil) Pool (5890) underlying SE/4 NE/4 of Section 3, Township 25 South, Range 12 West, N.M.P.M., San Juan County, New Mexico. The horizontal well is proposed to be drilled as follows:

- Surface hole location: 2,098’ FSL, and 387’ FWL (Unit L) of Section 1;
- Bottom hole location: 1,880’ FNL, and 60’ FEL (Unit H) of Section 3;
- First take point: 1,666’ FSL, and 768’ FEL (Unit I) of Section 2;
- Last take point: 1,880’ FNL, and 60’ FEL (Unit H) of Section 3.

Reserves from both the Bisti Lower-Gallup (Oil) Pool (5890) and the Basin Mancos (Gas) Pool (97232) will be developed from the **Bisti #100H well** from a Gallup sandstone reservoir containing oil as primary hydrocarbon phase. The surrounding organic rich Mancos formation is locally mature for oil generation. While some associated gas is produced in nearly all Gallup horizontal wells, the primary phase will be liquid oil. Division rules for horizontal wells penetrating gas pools require the completed interval for the well to remain at least 660 feet from the outer boundary of the spacing unit

T 505.988.4421 F 505.983.6043  
 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849  
 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208  
 www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

**Exhibit A** is a Form C-102 for the **Bisti #100H well** reflecting the completed interval of the well. As shown on said Exhibit A, there are two points on the completed interval for this well that are less than 660 feet from the outer boundary of the spacing unit and greater than the 330' allowance for inclusion of proximity tracts for the spacing unit. The two points are:

- (1) BHL/LTP is 571.32' from the northeast corner of SENE of Section 3 which encroaches on NW/4 NW/4 (Lot 4) of Section 2;
- (2) POE/FTP is 346.30' from the south line of NE/4 SE/4 of Section 2, which encroaches on the SE/4 SE/4 of Section 2.

**Exhibit B** is a map of the **Bisti #100H well** and the surrounding tracts. As shown on the attached Exhibit B, the Mancos Formation underlying the affected tracts are owned DJR Assets, LLC and operated by DJR Operating. Accordingly, the only affected parties are DJR Assets, LLC, and the New Mexico State Land Office. A copy of this application with all attachments has been sent by certified mail to the New Mexico State Land Office advising them that if they have an objection it must be filed in writing with the Division within 20 days from the date the Division receives the application. Proof of mailing and a copy of the notice letter is attached as **Exhibit C**.

Your attention to this matter is appreciated.

Sincerely,



Kaitlyn A. Luck  
ATTORNEY FOR DJR OPERATING, LLC

Attached to Application for Unorthodox Well Location Bisti 100H Well.

**DISTRICT I**  
1625 N. French Dr., Hobbs, N.M. 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

**DISTRICT II**  
811 S. First St., Artesia, N.M. 88210  
Phone: (505) 748-1283 Fax: (575) 748-9720

**DISTRICT III**  
1000 Rio Brazos Rd., Aztec, N.M. 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

**DISTRICT IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3482

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised August 1, 2011

Submit one copy to appropriate  
District Office

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name BASIN MANCOS GAS / BISTI LOWER GALLUP	
<sup>4</sup> Property Code		<sup>5</sup> Property Name BISTI		<sup>6</sup> Well Number 100H	
<sup>7</sup> OGRID No. 371838		<sup>8</sup> Operator Name DJR OPERATING, LLC		<sup>9</sup> Elevation 6328'	

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	1	25N	12W		2098'	SOUTH	387'	WEST	SAN JUAN

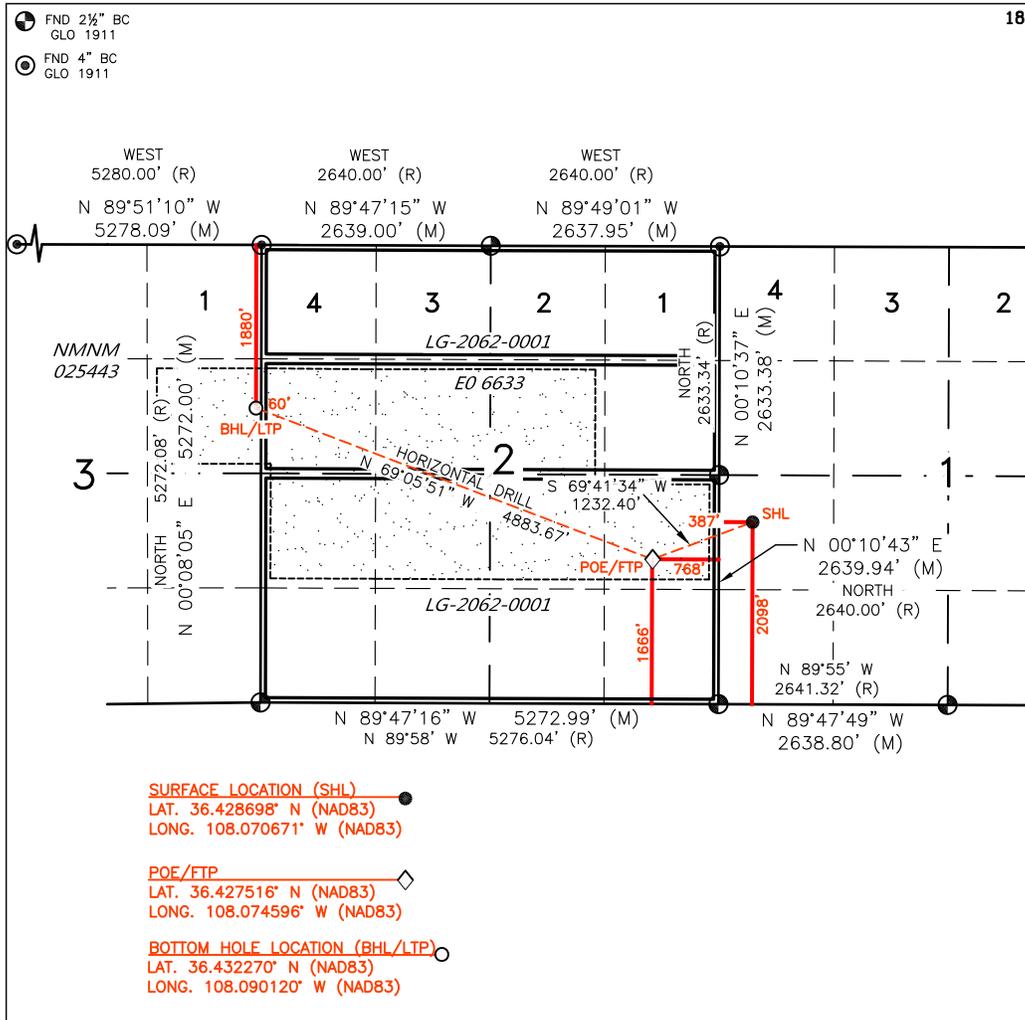
<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	3	25N	12W		1880'	NORTH	60'	EAST	SAN JUAN

<sup>12</sup> Dedicated Acres BASIN MANCOS SEC. 2: SW/NW, SE/NW, NE/SW, NW/SW, SW/NW, NW/SE & NE/SE (280 AC.); BISTI LOWER GALLUP SEC. 3: SE/NE (40 AC.) = 320 ACRES TOTAL	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
PENETRATED SPACING:			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16



**17 OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Printed Name \_\_\_\_\_

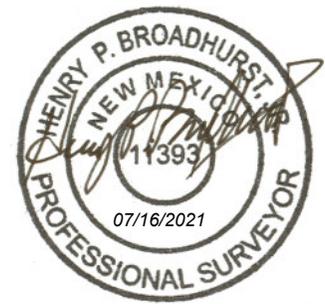
E-mail Address \_\_\_\_\_

**SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

DECEMBER 3, 2019

Date of Survey  
Signature and Seal of Professional Surveyor:



Certificate Number 11393

**DISTRICT I**  
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 Phone: (575) 393-6161 Fax: (575) 393-0720

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 811 S. First St., Artesia, N.M. 88210  
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State of New Mexico  
 Energy, Minerals & Natural Resources Department

Form C-102  
 Revised August 1, 2011

Submit one copy to appropriate  
 District Office

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

AMENDED REPORT

**BISTI #100H**

2755.90 LINEAR FEET OF WELLBORE WITHIN  
 LG-2062-0001  
 LOCATED IN THE NE/SE, NW/SE, NE/SW,  
 OF SECTION 2,  
 T25N, R12W, N.M.P.M.,  
 SAN JUAN COUNTY, NEW MEXICO

WELLBORE	NS-FOOT	NS INDICATOR	EW-FOOT	EW INDICATOR	LATITUDE	LONGITUDE
FROM	1666	FSL	768	FEL	36.427516° N	108.074596° W
TO	2640	FSL	1930	FWL	36.430199° N	108.083356° W

2063.60 LINEAR FEET OF WELLBORE WITHIN  
 E0 6633  
 LOCATED IN THE SE/NW & SW/NW  
 OF SECTION 2,  
 T25N, R12W, N.M.P.M.,  
 SAN JUAN COUNTY, NEW MEXICO

WELLBORE	NS-FOOT	NS INDICATOR	EW-FOOT	EW INDICATOR	LATITUDE	LONGITUDE
FROM	2640	FSL	1930	FWL	36.430199° N	108.083356° W
TO	1903	FNL	0	FWL	36.432207° N	108.089916° W

64.17 LINEAR FEET OF WELLBORE WITHIN  
 NMNM 025443  
 LOCATED IN THE SE/NE OF SECTION 3,  
 T25N, R12W, N.M.P.M.,  
 SAN JUAN COUNTY, NEW MEXICO

WELLBORE	NS-FOOT	NS INDICATOR	EW-FOOT	EW INDICATOR	LATITUDE	LONGITUDE
FROM	1903	FNL	0	FEL	36.432207° N	108.089916° W
TO	1880	FNL	60	FEL	36.432270° N	108.090120° W

**WELL FLAG**

LATITUDE: 36.428698° N  
LONGITUDE: 108.070671° W  
DATUM: NAD83

**DJR OPERATING, LLC**

**BISTI #100H**

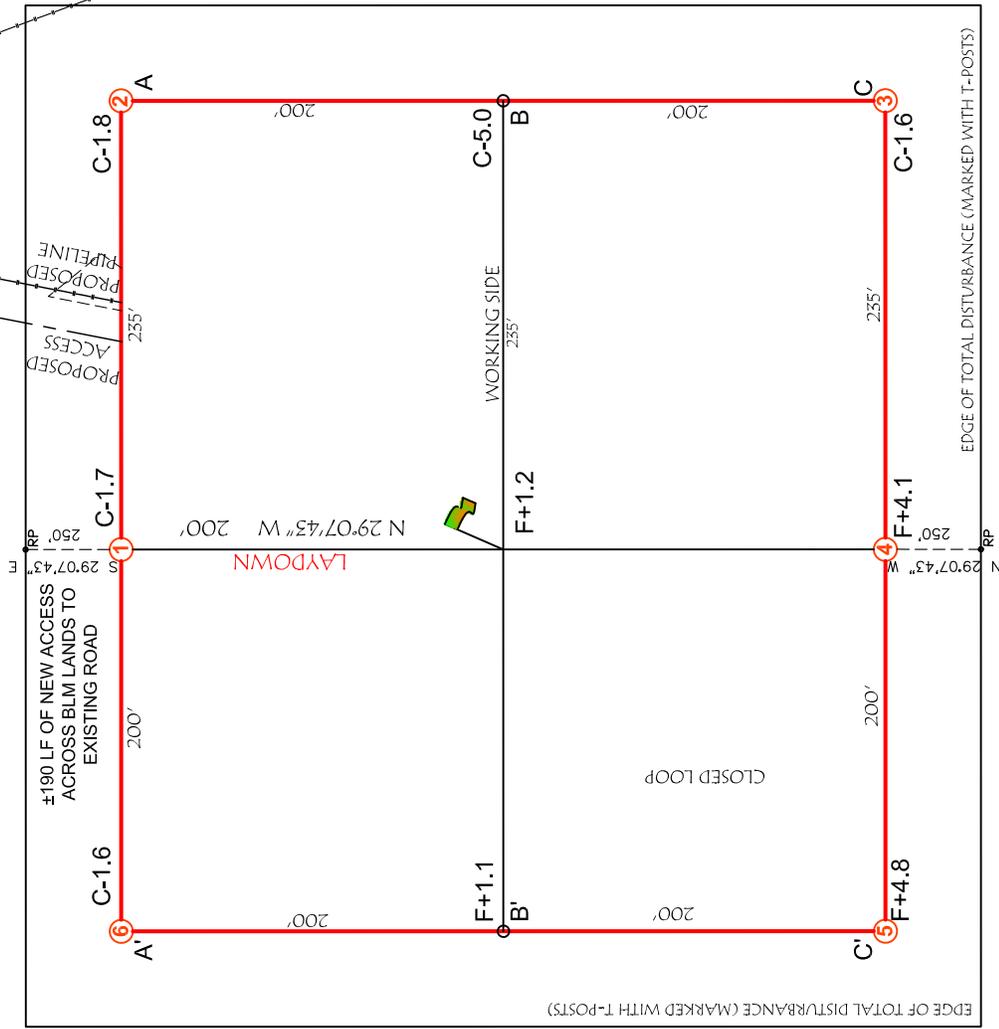
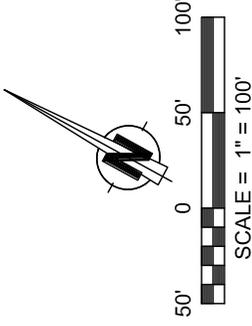
2098' FSL & 387' FWL  
LOCATED IN THE NW/4 SW/4 OF SECTION 1,  
T25N, R12W, N.M.P.M.,  
SAN JUAN COUNTY, NEW MEXICO  
GROUND ELEVATION: 6327', NAVD 88  
FINISHED PAD ELEVATION: 6327.7', NAVD 88  
BISTI L01-2512

**NOTES:**

- 1.) BASIS OF BEARING: BETWEEN FOUND MONUMENTS AT THE WEST QUARTER CORNER AND THE NORTHWEST CORNER OF SECTION 1, TOWNSHIP 25 NORTH, COUNTY, NEW MEXICO, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO. LINE BEARS: N 00°10'37" E. A DISTANCE OF 2633.38 FEET AS MEASURED BY G.P.S. AND BASED ON THE N.M.S.P. COORDINATE SYSTEM (WEST ZONE).
- 2.) LATITUDE, LONGITUDE AND ELLIPSOIDAL HEIGHT BASED ON AZTEC CORS L1 PHASE CENTER. DISTANCES SHOWN ARE GROUND DISTANCES USING A TRAVERSE MERCATOR PROJECTION, UTM ZONE 18Q, WGS84 ELLIPSOID, CONVERTED TO NAD83. NAVD88 ELEVATIONS AS PREDICTED BY GEOID09.
- 3.) LOCATION OF UNDERGROUND UTILITIES DEPICTED ARE APPROXIMATE. PRIOR TO EXCAVATION UNDERGROUND UTILITIES SHOULD BE FIELD VERIFIED. ALL CONSTRUCTION ACTIVITIES SHOULD BE FIELD VERIFIED. CONTRACTOR SHOULD OBTAIN ONE-CALL AUTHORITIES AT LEAST 48 HOURS PRIOR TO CONSTRUCTION.
- 4.) T--POSTS HAVE BEEN SET TO DEFINE THE EDGE OF DISTURBANCE LIMITS WHICH ARE 50' OFFSETS FROM THE EDGE OF THE STAKED WELL PAD.

~ SURFACE OWNERSHIP ~
~ BUREAU OF LAND MANAGEMENT ~

**TOTAL PERMITTED AREA**  
500' x 535' = 6.14 ACRES  
SCALE: 1" = 100'  
DATE: 01/18/20  
DRAWN BY: GRR



SLOPES TO BE CONSTRUCTED TO MATCH THE ORIGINAL CONTOURS AS CLOSE AS POSSIBLE.



**CHENAULT CONSULTING INC.**

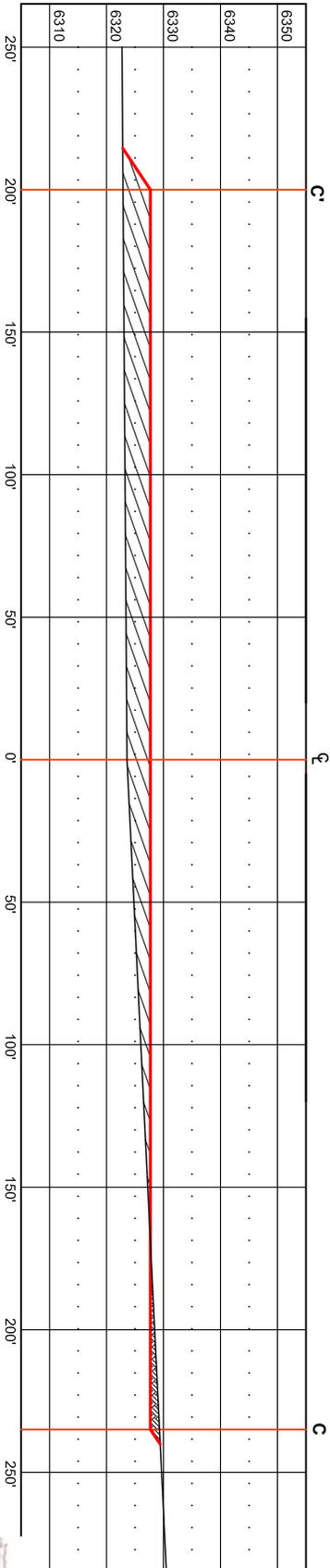
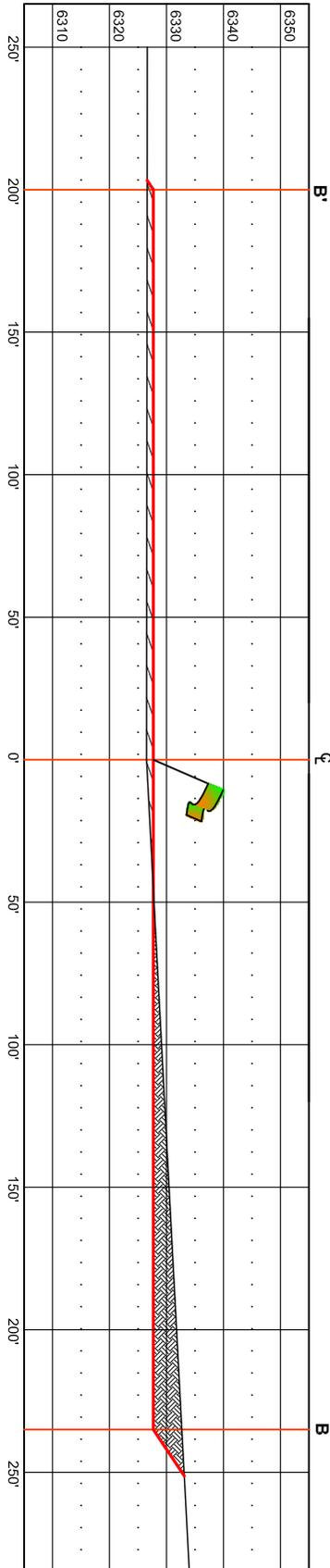
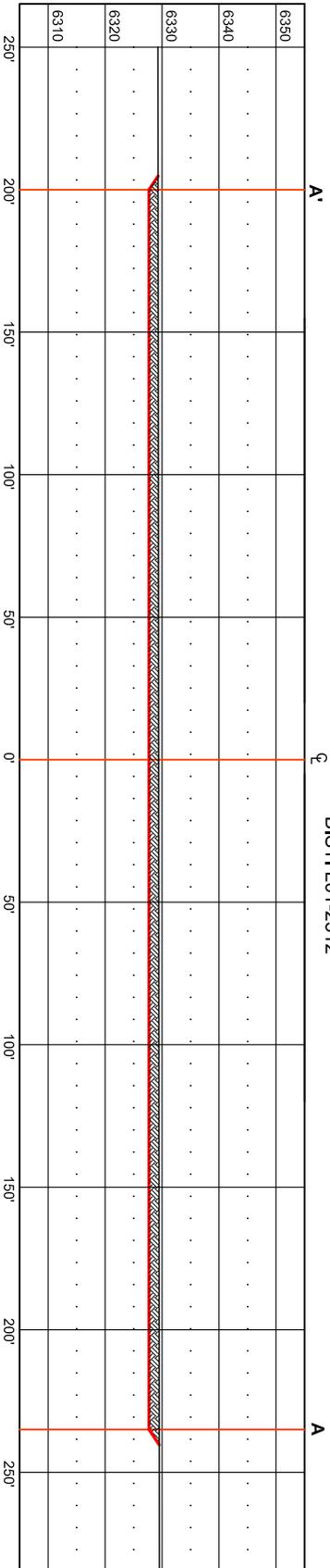
4800 COLLEGE BLVD.  
SUITE 201  
FARMINGTON, NM, 87402  
(505)325-7707

NOTE:  
CHENAULT CONSULTING, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED, BURIED PIPELINES OR CABLES ON WELL PAD, IN CONSTRUCTION ZONE AND/OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

**WELL FLAG**  
LATITUDE: 36.428698° N  
LONGITUDE: 108.070671° W  
DATUM: NAD83

**DJR OPERATING, LLC**  
**BISTI #100H**  
2098' FSL & 387' FWL  
LOCATED IN THE NW/4 SW/4 OF SECTION 1,  
T25N, R12W, N.M.P.M.,  
SAN JUAN COUNTY, NEW MEXICO  
GROUND ELEVATION: 6327', NAVD 88  
FINISHED PAD ELEVATION: 6327.7', NAVD 88  
BISTI L01-2512

THIS DIAGRAM IS AN ESTIMATE  
OF DIRT BALANCE AND IS NOT  
INTENDED TO BE AN EXACT  
MEASURE OF VOLUME



**CCI**



VERT. SCALE: 1" = 30'  
HORZ. SCALE: 1" = 60'  
DATE: 01/18/20  
DRAWN BY: GRR

**CHEVAULT CONSULTING INC.**  
4800 COLLEGE BLVD., SUITE 201  
FARMINGTON, NM 87402  
(505)-325-7707



**WELL FLAG**

LATITUDE: 36.428698° N  
LONGITUDE: 108.070671° W  
DATUM: NAD83

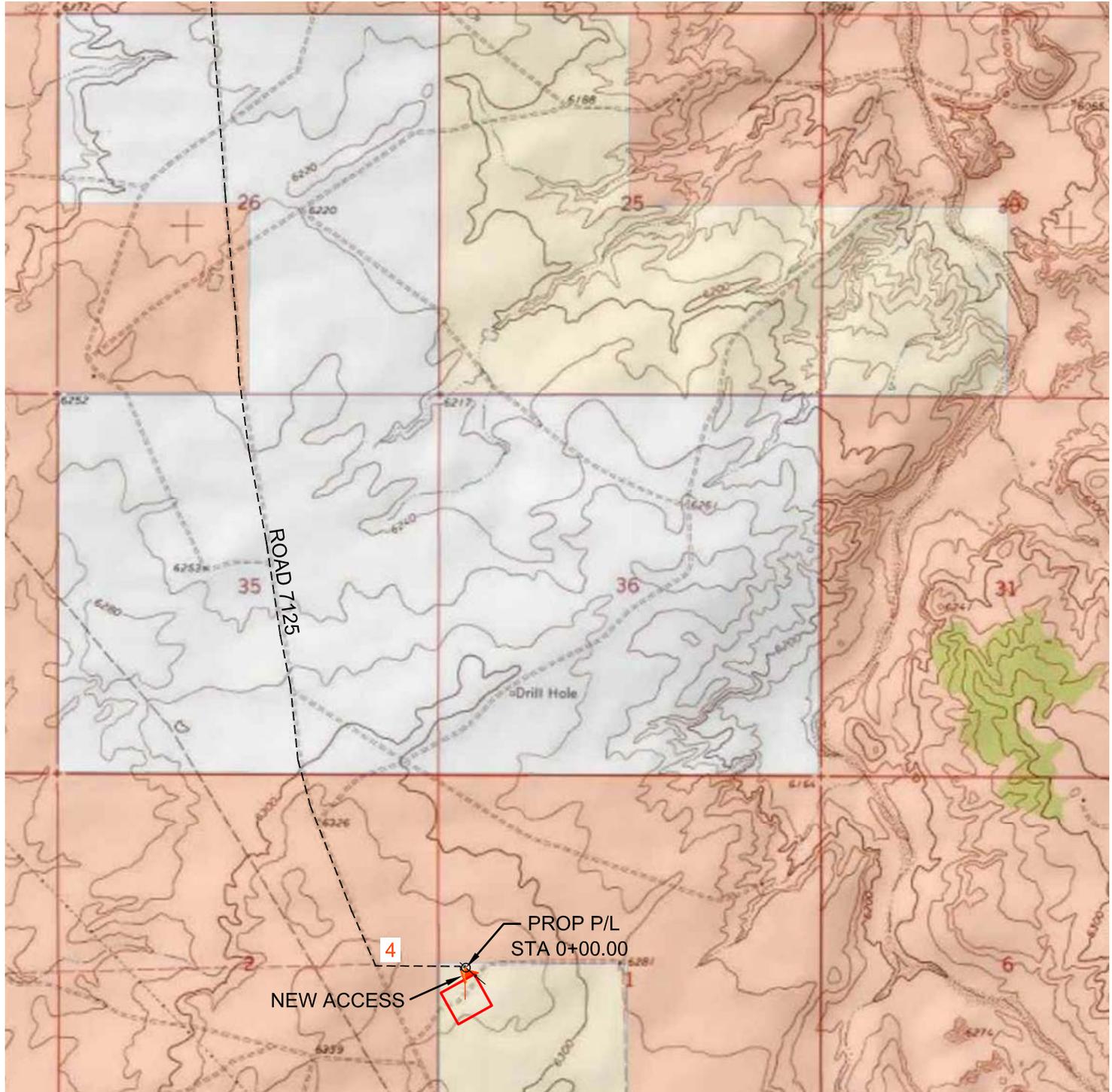
**DJR OPERATING, LLC**

**BISTI #100H**  
2098' FSL & 387' FWL  
LOCATED IN THE NW/4 SW/4 OF SECTION 1,  
T25N, R12W, N.M.P.M.,  
SAN JUAN COUNTY, NEW MEXICO  
±190' OF NEW ACCESS ACROSS BLM LANDS  
BISTI L01-2512



**OWNERSHIP LEGEND**

- BLM
- BOR
- FOREST
- ALLOTTED/TRIBAL
- PRIVATE
- STATE



U.S.G.S. QUAD: CARSON TRADING POST  
SCALE: 1" = 2000' (1:24,000)  
DATE: 01/18/20  
DRAWN BY: GRR

**CCI**

**CHENAULT CONSULTING INC.**

4800 COLLEGE BLVD.  
SUITE 201  
FARMINGTON, NM 87402  
(505)-325-7707



**WELL FLAG**

LATITUDE: 36.428698° N  
LONGITUDE: 108.070671° W  
DATUM: NAD83

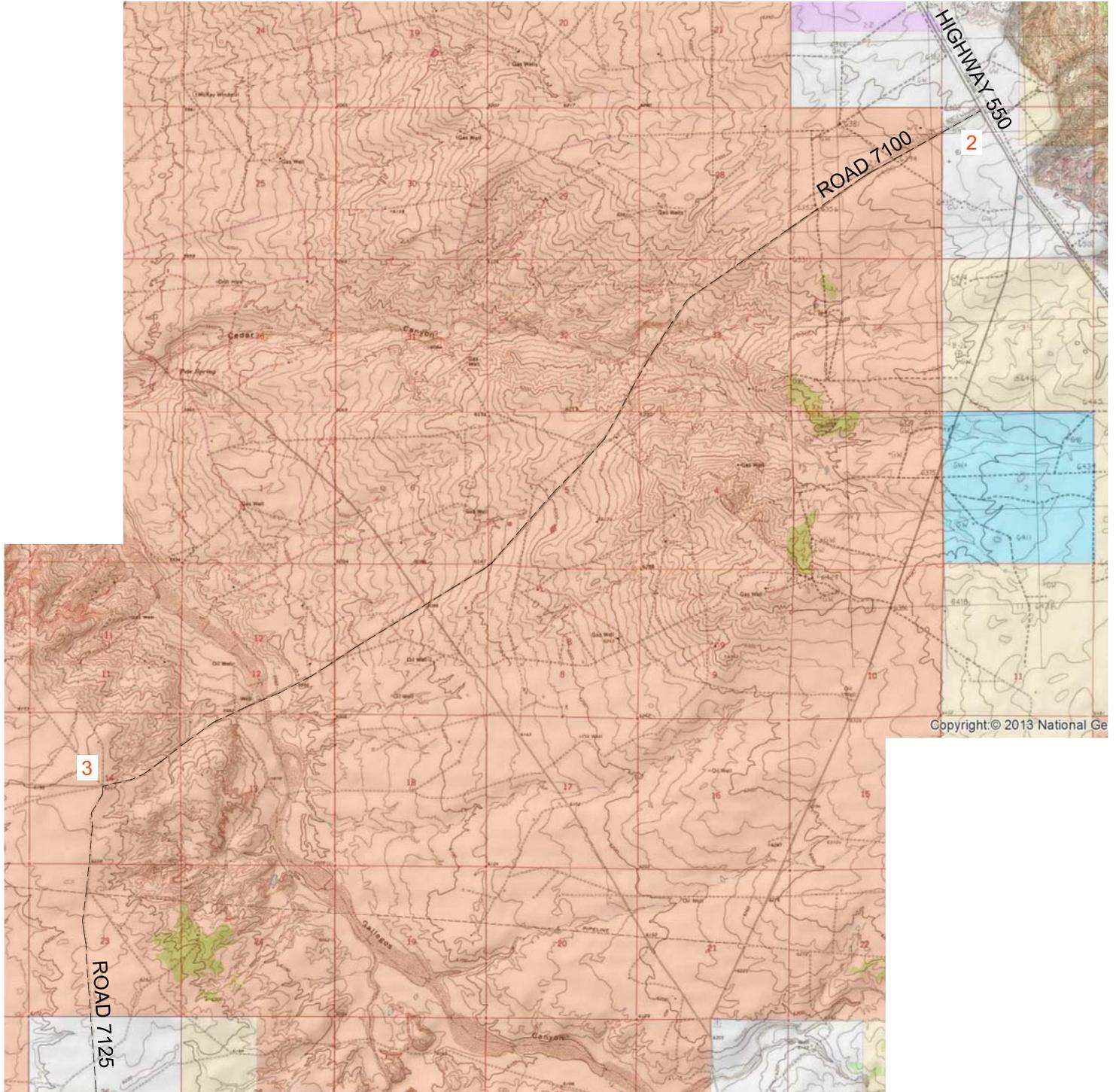
**DJR OPERATING, LLC**

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SAN JUAN COUNTY, NEW MEXICO  
±190' OF NEW ACCESS ACROSS BLM LANDS  
BISTI L01-2512



**OWNERSHIP LEGEND**

- BLM
- BOR
- FOREST
- ALLOTTED/TRIBAL
- PRIVATE
- STATE



Copyright © 2013 National Ge

U.S.G.S. QUAD: CARSON TRADING POST  
SCALE: 1" = 5000'  
DATE: 01/18/20  
DRAWN BY: GRR



**CCI**

**CHENAULT CONSULTING INC.**

4800 COLLEGE BLVD.  
SUITE 201  
FARMINGTON, NM 87402  
(505)-325-7707

**DJR OPERATING, LLC**

**BISTI #100H**

2098' FSL & 387' FWL  
LOCATED IN THE NW/4 SW/4 OF SECTION 1,  
T25N, R12W, N.M.P.M.,  
SAN JUAN COUNTY, NEW MEXICO

BISTI L01-2512

**DIRECTIONS**

- 1) FROM THE INTERSECTION OF HIGHWAY 64 & HIGHWAY 550 IN BLOOMFIELD, GO SOUTH ON HIGHWAY 550, 12.0 MILES TO ROAD 7100.
- 2) TURN RIGHT ONTO 7100 AND GO 7.4 MILES TO ROAD 7125.
- 3) TURN LEFT ONTO 7125 AND GO 4.1MILES TO A CATTLE GUARD.
- 4) CROSS THE CATTLE GUARD, TURN LEFT AND GO 0.2 MILES WHERE ACCESS IS STAKED ON RIGHT SIDE OF ROAD.

WELL FLAG LOCATED AT LAT. 36.428698° N, LONG.108.070671° W (NAD 83).

**WELL FLAG**

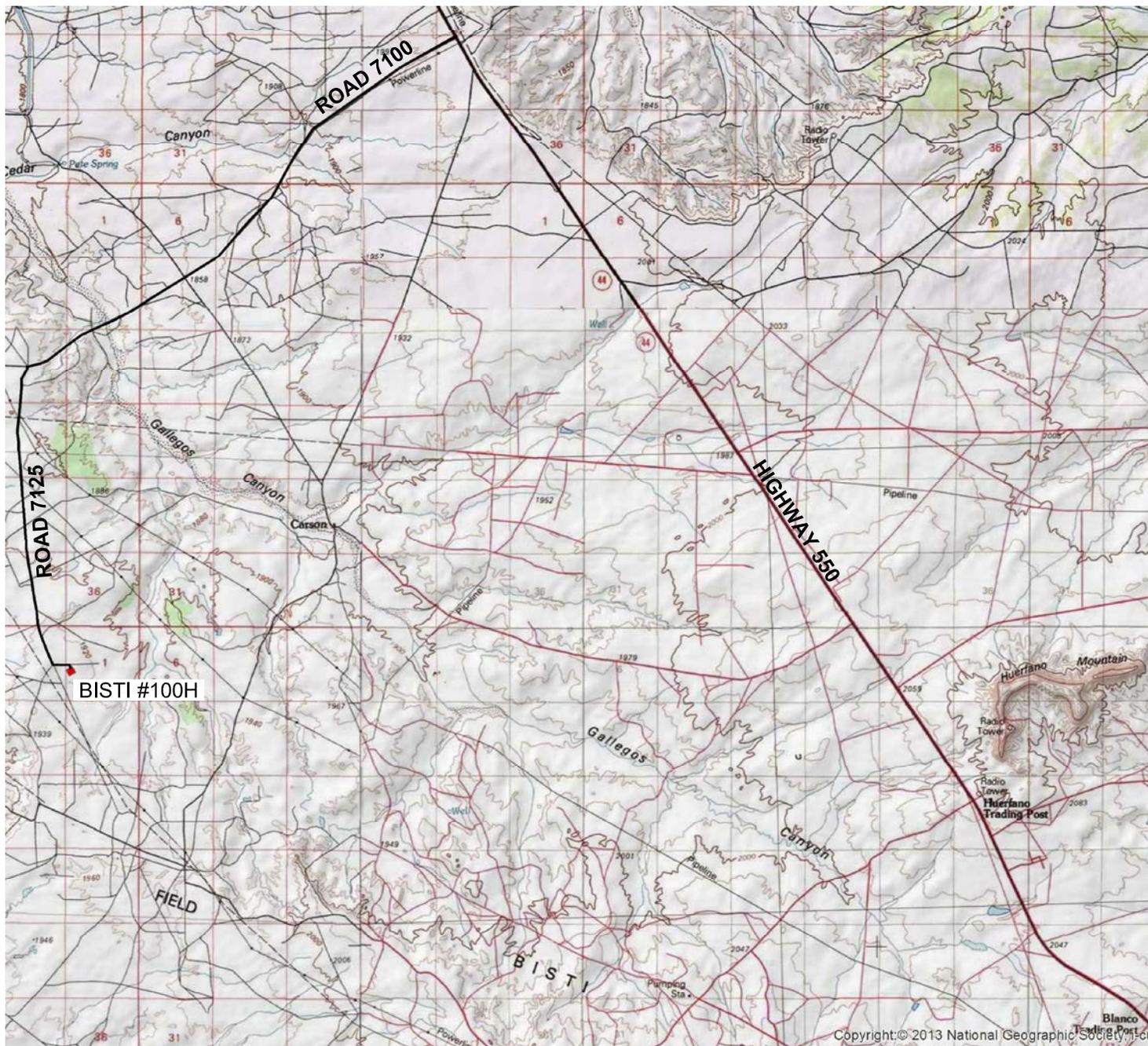
LATITUDE: 36.428698° N  
LONGITUDE: 108.070671° W  
DATUM: NAD83

**DJR OPERATING, LLC**

**BISTI #100H**

2098' FSL & 387' FWL  
LOCATED IN THE NW/4 SW/4 OF SECTION 1,  
T25N, R12W, N.M.P.M.,  
SAN JUAN COUNTY, NEW MEXICO  
BISTI L01-2512

28.1 MILES FROM THE BLANCO  
TRADING POST TO WELL PAD



SCALE: 1" = 2 MILES  
DATE: 01/18/20  
DRAWN BY: GRR



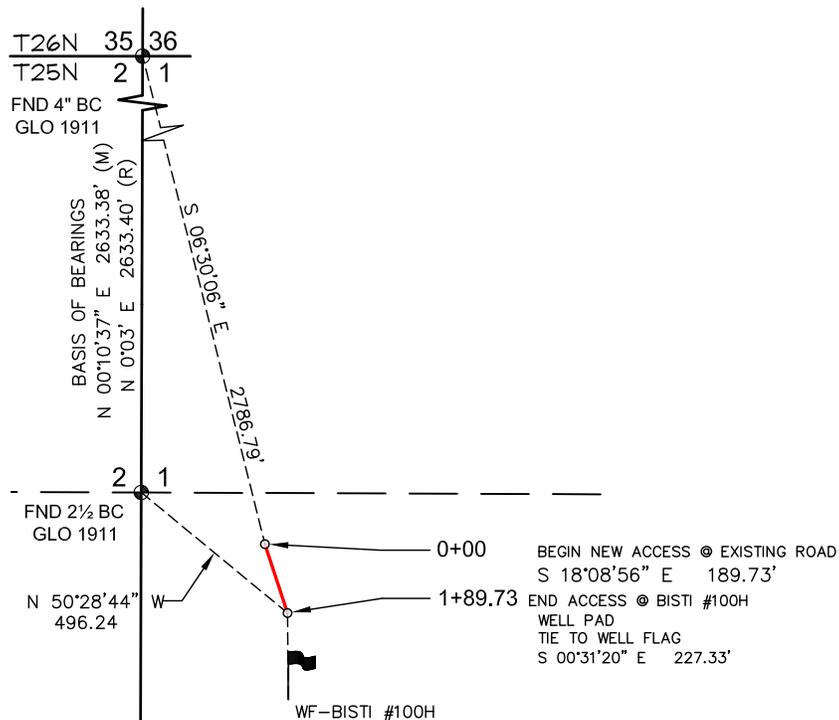
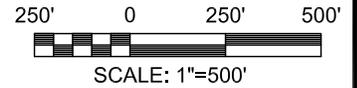
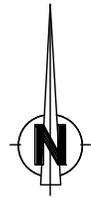
**CCI**

**CHENAULT CONSULTING INC.**

4800 COLLEGE BLVD.  
SUITE 201  
FARMINGTON, NM 87402  
(505)-325-7707



**PROPOSED ACCESS FOR  
DJR OPERATING, LLC  
BISTI #100H**  
LOCATED IN THE NW/4 SW/4 OF SECTION 1,  
T25N, R12W, N.M.P.M.,  
SAN JUAN COUNTY, NEW MEXICO



**NOTES**

- 1) BASIS OF BEARINGS FOR THIS SURVEY ARE BETWEEN FOUND MONUMENTS AT THE WEST QUARTER CORNER AND THE NORTHWEST CORNER OF SECTION 1, TOWNSHIP 25 NORTH, RANGE 12 WEST, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO  
LINE BEARS: N 00°10'37" E 2633.38'
- 2) DATE OF FIELD SURVEY: DECEMBER, 2019.
- 3) THIS EXHIBIT IS NOT A BOUNDARY SURVEY AND SHOULD NOT BE USED AS SUCH.
- 4) THIS EXHIBIT MAY NOT SHOW ALL EXISTING EASEMENTS AND UTILITIES.
- 5) CALL THE NEW MEXICO 811 SYSTEM FOR UTILITY LOCATIONS BEFORE EXCAVATING OR DIGGING.

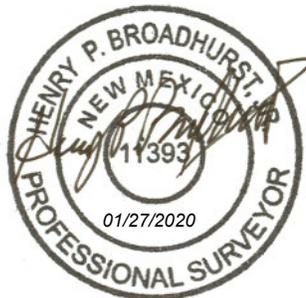
PREPARED BY:

**CCI**

**CHENAULT CONSULTING INC.**

4800 COLLEGE BLVD #105  
FARMINGTON, NM 87402  
(505) 325-7707

I, HENRY P. BROADHURST, JR., A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT I CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.



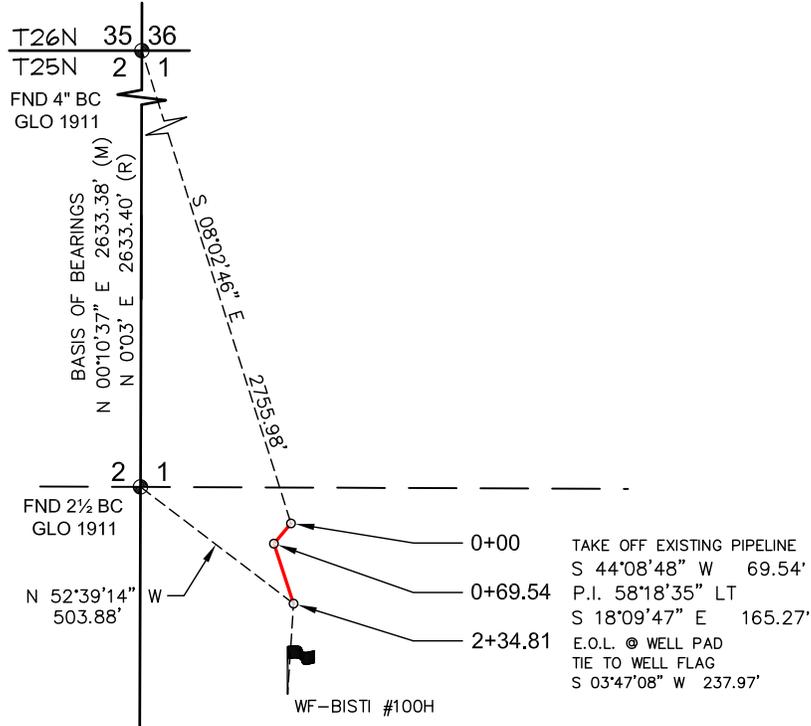
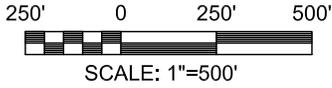
~ SURFACE OWNERSHIP ~ BUREAU OF LAND MANAGEMENT	
SECTION 1, T25N, R12W 0+00 TO 1+89.73 189.73 FT / 11.50 RODS	
DATE OF SURVEY	12/03/20 GR/JC

DRAWING: BISTI L01-2512 #100H	
SCALE: 1" = 500'	REV. 0 01/18/2020
DRAFTED BY: GRR	
SHEET: 1 of 1	



PROPOSED PIPELINES FOR  
DJR OPERATING, LLC  
BISTI #100H

LOCATED IN THE NW/4 SW/4 OF SECTION 1,  
T25N, R12W, N.M.P.M.,  
SAN JUAN COUNTY, NEW MEXICO



**NOTES**

- 1) BASIS OF BEARINGS FOR THIS SURVEY ARE BETWEEN FOUND MONUMENTS AT THE WEST QUARTER CORNER AND THE NORTHWEST CORNER OF SECTION 1, TOWNSHIP 25 NORTH, RANGE 12 WEST, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO  
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- 3) THIS EXHIBIT IS NOT A BOUNDARY SURVEY AND SHOULD NOT BE USED AS SUCH.
- 4) THIS EXHIBIT MAY NOT SHOW ALL EXISTING EASEMENTS AND UTILITIES.
- 5) CALL THE NEW MEXICO 811 SYSTEM FOR UTILITY LOCATIONS BEFORE EXCAVATING OR DIGGING.

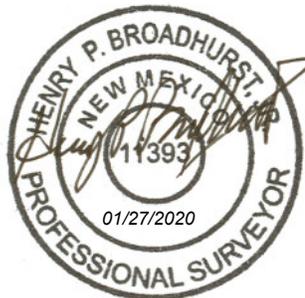
PREPARED BY:

**CCI**

**CHENAULT CONSULTING INC.**

4800 COLLEGE BLVD #105  
FARMINGTON, NM 87402  
(505) 325-7707

I, HENRY P. BROADHURST, JR., A NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR CERTIFY THAT I CONDUCTED AND AM RESPONSIBLE FOR THIS SURVEY, THAT THIS SURVEY IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SURVEY AND PLAT MEET THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO.

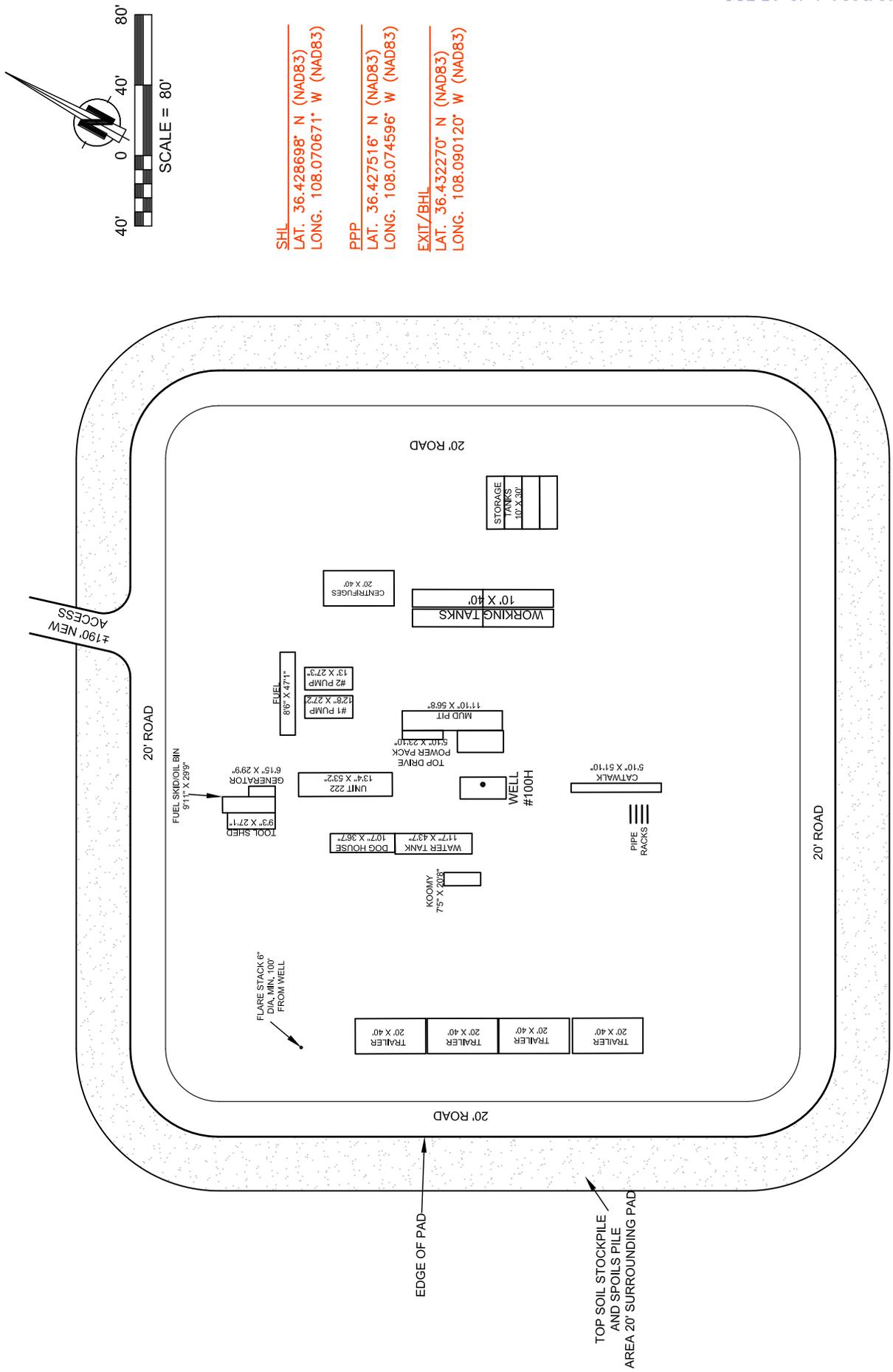


~ SURFACE OWNERSHIP ~ BUREAU OF LAND MANAGEMENT		
SECTION 1, T25N, R12W 0+00 TO 2+34.81 234.81 FT / 14.23 RODS		
DATE OF SURVEY	12/03/20	GR/JC

DRAWING: BISTI L01-2512 #100H	
SCALE: 1" = 500'	REV. 0 01/18/2020
DRAFTED BY: GRR	
SHEET: 1 of 1	







SHL  
 LAT. 36.428698° N (NAD83)  
 LONG. 108.070671° W (NAD83)

PPP  
 LAT. 36.427516° N (NAD83)  
 LONG. 108.074596° W (NAD83)

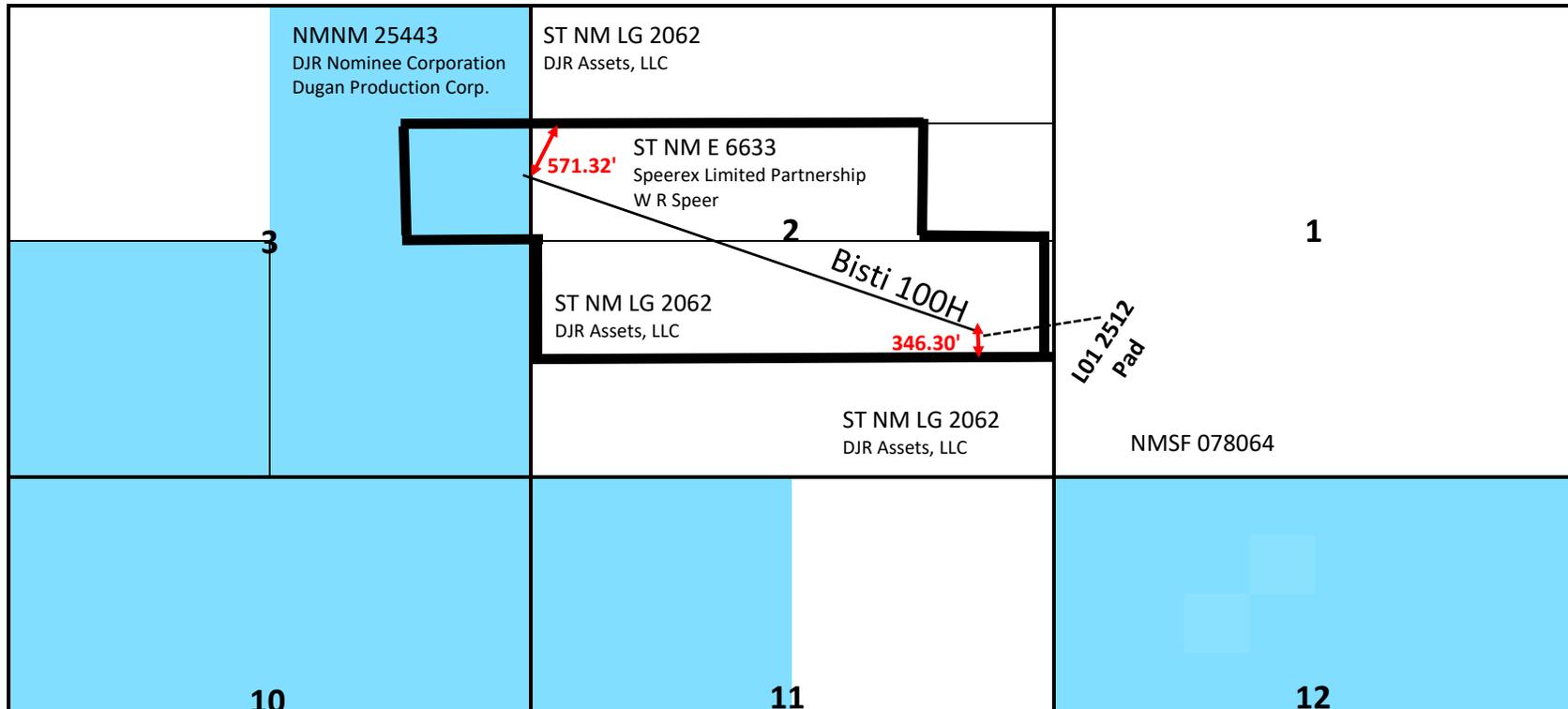
EXIT/BHL  
 LAT. 36.432270° N (NAD83)  
 LONG. 108.090120° W (NAD83)

NO.	DATE	PROJECT DESCRIPTION	PROJ.	AFE	EPCM Co.	EPCM No.	APPD.	ISSUE STAGE	DATE	BY	CHKD	APPD.
1	09/05/2021	TYPICAL COMPLETION LAYOUT										
REV. NUMBER:												
MAN. FAC. BISTI #100H USN S01-T25N-R12W FAC. WELL PAD USN S01-T25N-R12W SCALE 80'												
CHENAULT CONSULTING, INC. TITLE TYPICAL COMPLETION LAYOUT												
AREA NEW MEXICO CLASS FILE NO. A												

# EXHIBIT "B"

## Attached to Application for Unorthodox Location for Bisti 100H Well

### R 12 W



T  
25  
N

- Proposed Spacing Unit Based on 40-acre tracts penetrated and within 330' or less from completed interval
- Unorthodox distance less than 660' between completed interval and spacing unit boundary

- Basin Mancos Gas Pool (97232)
- Bisti Lower Gallup Pool (5890)



**Kaitlyn A. Luck**  
**Associate**  
Phone (505) 954-7286  
KALuck@hollandhart.com

September 02, 2021

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO AFFECTED PARTIES:**

**Re: Application of DJR Operating, LLC, for administrative approval of an unorthodox well location for a portion of its Bisti #100H well to be completed in the Basin Mancos (Gas) Pool (97232) underlying the S/2 NW/4, the SW/4 NE/4, the N/2 S/2 of Section 2, and the Bisti Lower-Gallup (Oil) Pool (5890) underlying SE/4 NE/4 of Section 3, Township 25 South, Range 12 West, N.M.P.M., San Juan County, New Mexico.**

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Mona Binion  
DJR Operating, LLC  
(303) 407-7399  
MBinion@djrlc.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", written over a horizontal line.

Kaitlyn A. Luck  
ATTORNEY FOR DJR OPERATING, LLC

Parent ID	Mail Date	Company	Address	City	ST	Zip	Mail Class	TrackingNo	Well
31309	09/02/2021	New Mexico State Land Office	PO Box 1148	Santa Fe	NM	87504-1148	Certified with Return Receipt (Signature)	9414811898765800698246	70957 - DJR_Bisti 100H NSL - notice list - 1
31309	09/02/2021	Speerex Limited Partnership	PO Box 1363	Mt Pleasant	SC	29465-1363	Certified with Return Receipt (Signature)	9414811898765800698284	70957 - DJR_Bisti 100H NSL - notice list - 2
31309	09/02/2021	Dugan Production Corp.	PO Box 420	Farmington	NM	87499-0420	Certified with Return Receipt (Signature)	9414811898765800698239	70957 - DJR_Bisti 100H NSL - notice list - 3

**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 46493

**CONDITIONS**

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 46493
	Action Type: [UF-NSL] Non-Standard Location (NSL)

**CONDITIONS**

Created By	Condition	Condition Date
llowe	None	9/8/2021