

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.

5. Lease Serial No.
JIC11

6. If Indian, Allottee or Tribe Name
JICARILLA APACHE

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

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		8. Well Name and No. JICARILLA APACHE B 9E
2. Name of Operator DJR OPERATING LLC		9. API Well No. 30-039-27726-00-S2
3a. Address 1600 BROADWAY SUITE 1600 DENVER, CO 80202		10. Field and Pool or Exploratory Area BASIN DAKOTA OTERO
3b. Phone No. (include area code) Ph: 505-632-3476		11. County or Parish, State RIO ARRIBA COUNTY, NM
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 20 T24N R5W SENW 1360FNL 1355FWL		

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 recomplate 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 recomplate 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, Current & Proposed Wellbore Diagram, and Reclamation Plan.

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #522247 verified by the BLM Well Information System For DJR OPERATING LLC, sent to the Rio Puerco Committed to AFMSS for processing by JOE KILLINS on 07/21/2020 (20JK0053SE)	
Name (Printed/Typed) SHAW-MARIE FORD	Title REGULATORY SPECIALIST
Signature (Electronic Submission)	Date 07/17/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>JOE KILLINS</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>01/05/2021</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 ****

Revisions to Operator-Submitted EC Data for Sundry Notice #522247

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	ABD NOI	ABD NOI
Lease:	JIC11	JIC11
Agreement:		
Operator:	DJR OPERATING LLC 1 ROAD 3263 AZTEC, NM 87410 Ph: 505-632-3476	DJR OPERATING LLC 1600 BROADWAY SUITE 1600 DENVER, CO 80202 Ph: 303.595.7433 Fx: 303.595.7431
Admin Contact:	SHAW-MARIE FORD REGULATORY SPECIALIST E-Mail: sford@djrlc.com Ph: 505-632-3476	SHAW-MARIE FORD REGULATORY SPECIALIST E-Mail: sford@djrlc.com Ph: 505-632-3476
Tech Contact:	SHAW-MARIE FORD REGULATORY SPECIALIST E-Mail: sford@djrlc.com Ph: 505-632-3476	SHAW-MARIE FORD REGULATORY SPECIALIST E-Mail: sford@djrlc.com Ph: 505-632-3476
Location:		
State:	NM	NM
County:	RIO ARRIBA	RIO ARRIBA
Field/Pool:	BASIN MANCOS	BASIN DAKOTA OTERO
Well/Facility:	JICARILLA APACHE B 9E Sec 20 T24N R5W Mer NMP SENW 1360FNL 1355FWL 36.301630 N Lat, 107.388690 W Lon	JICARILLA APACHE B 9E Sec 20 T24N R5W SENW 1360FNL 1355FWL

Plug and Abandonment Procedure
for
DJR Operating, LLC
Jicarilla Apache B 9E
API # 30-039-27726
SE/NW, Unit F, Sec. 20, T24N, R5W
Rio Arriba County, NM

I.

1. Hold Pre job meeting, comply with all NMOCD, BLM and environmental regulations.
2. MIRU prep rig.
3. Check and record tubing, casing and bradenhead pressures.
4. Trip and recover plunger.
5. Remove existing piping from casing valve, RU blow lines from casing valves and blow down casing pressure. Kill well as necessary. Ensure that well is dead or on a vacuum.
6. MIRU hot oil unit, pump hot water to clear tubing of paraffin.
7. Unset TAC.
8. ND WH, NU BOP, function test BOP.
9. Trip out of hole with 2 3/8" tubing. LD tubing to be sent in for storage/salvage.
10. RDMO prep rig to next location.

II.

11. MIRU P&A rig and equipment.
12. PU workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 6540'. TOOH.

13. PU and TIH with a 4 ½” cement retainer. Set the CR at +/- 6540’. Pressure test tubing to 1000 psi, sting out of CR, test casing to 600 psi. If casing does not test, contact engineering.
14. Plug 1. Dakota Perfs: RU cement equipment. Sting back into CR and attempt to mix and pump 20 sx Class G cement through the CR into the Dakota perforations. If zone pressures up, sting out of CR and continue with Plug 2.
15. Plug 2. Dakota: Mix and spot a 50’ plug of Class G cement on top of retainer from 6540’-6490’. Pump water to ensure tubing is clear. TOOH.
16. PU and TIH with 4 ½” cement retainer. Set the CR at +/- 5380’. Pressure test tubing to 1000 psi, sting out of CR, test casing to 600 psi. If casing does not test, contact engineering.
17. Plug 3. Gallup Perfs: Sting back into CR and attempt to mix and pump 20 sx of Class G cement through CR and into Gallup perforations. If zone pressures up, sting out of CR and continue with Plug 4.
18. Plug 4: Gallup-Mancos: Mix and pump a 924’ plug of Class G cement from 5380-4556’. Pump water to ensure tubing is clear. PUH to 3732’.
19. Plug 5. Mesa Verde: Mix and pump a 100’ balanced plug of Class G cement from 3732-3632’. Pump water to ensure tubing is clear. PUH to 2672’.
20. Plug 6: Chacra: Mix and pump a 100’ balanced plug of Class G cement from 2672-2572’. Pump water to ensure tubing is clear. PUH to 2218’.
21. Plug 7. Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo: Mix and pump a 651’ balanced plug from 2218-1567’ with Class G cement. Pump water to ensure tubing is clear. PUH to 1012’.
22. Plug 8: Nacimiento: Mix and pump a 100’ balanced plug from 1012-912’ with Class G cement. Pump water to ensure that tubing is clear. PUH to 425’.
23. Plug 9: Surface: Mix and pump a 425’ plug of Class G cement inside 4 ½” casing across surface casing shoe to surface. Pump water to ensure that tubing is clear. TOOH with workstring.
24. RD cementing equipment. Cut off wellhead, fill any exposed annulus with cement as necessary. **Install SURFACE P&A marker as per BIA requirements.** Record GPS coordinates for P&A marker and the Final P&A Report. Photograph the P&A marker and attach to the report.

25. RD and MO all rig and cement equipment. Assure that location is free of trash and contamination before moving off.
26. Send all reports and attachments to DJR Aztec office for regulatory filings.

Note: All cement is to be Class G mixed at 15.8 ppg, yield 1.15 cu ft / sx. Cement volumes are based on inside capacities + 50' excess and outside capacities + 100% excess.

Surface PxA marker is to be installed at surface, 12"x18", and exposed at the reclaimed GL surface.

BLM FLUID MINERALS Geologic Report

Date Completed: 11/19/2020

Well No. Jicarilla Apache B #9E (API# 30-039-27726)	Location	1360	FNL	&	1355	FWL
Lease No. JIC-11	Sec. 20	T24N			R05W	
Operator DJR Operating, LLC	County	Rio Arriba		State	New Mexico	
Total Depth 7000	PBTD 6945	Formation Dakota and Gallup				
Elevation (GL) 6540	Elevation (KB) 6552					

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm			Surface	962	Surface/Fresh water sands
Nacimiento Fm			962	1617	Fresh water sands
Ojo Alamo Ss			1617	1830	Aquifer (fresh water)
Kirtland Shale			1830	2002	
Fruitland Fm			2002	2168	Coal/Gas/Possible water
Pictured Cliffs Ss			2168	2263	Gas
Lewis Shale			2263	2620	
Chacra			2620	3682	
Cliff House Ss			3682	3742	Water/Possible gas
Menefee Fm			3742	4354	Coal/Ss/Water/Possible O&G
Point Lookout Ss			4354	4506	Probable water/Possible O&G
Mancos Shale			4506	5428	
Gallup			5428	6353	O&G/Water
Greenhorn			6353	6415	
Graneros Shale			6415	6450	
Dakota Ss			6450	PBTD	O&G/Water
Morrison					

Remarks:

P & A

- BLM geologist's formation top picks match operator picks.
- Log analysis of reference well #2 indicates the San Jose, Nacimiento and Ojo Alamo sands investigated likely contain fresh water ($\leq 5,000$ ppm TDS). The proposed P&A plan has adequate plugs to ensure freshwater sands are protected in this well bore.

- Plug #6 (Chacra) in the proposed P&A plan should be set from 2670'-2570'.

- Dakota perforations @ 6582'-6630'.
- Gallup perforations @ 5426'-5629'.

Reference Well:

- | | |
|---|-------------------|
| 1) Same | Fm. Tops |
| 2) Enerdyne, LLC
Federal 17 #2
2310' FSL, 2300' FEL
Sec. 17, T24N, R03W
GL 6825' KB 6836' | Water
Analysis |

Prepared by: Chris Wenman

Current Wellbore Diagram
DJR Operating, LLC
Jicarilla Apache B 9E
 API # 30-039-27726
 SE/NW, Unit F, Sec 20, T24N, R5W
 Rio Arriba County, NM

GL 6540'
 KB 6552'
 Spud Date 6/3/2005

SURF CSG

Hole size 12.25"
 Csg Size: 8.625"
 Wt: 24#
 Grade: J-55
 ID: 8.097"
 Depth 375'
 Csg cap ft³: 0.3576
 TOC: Surf

FORMATION TOPS

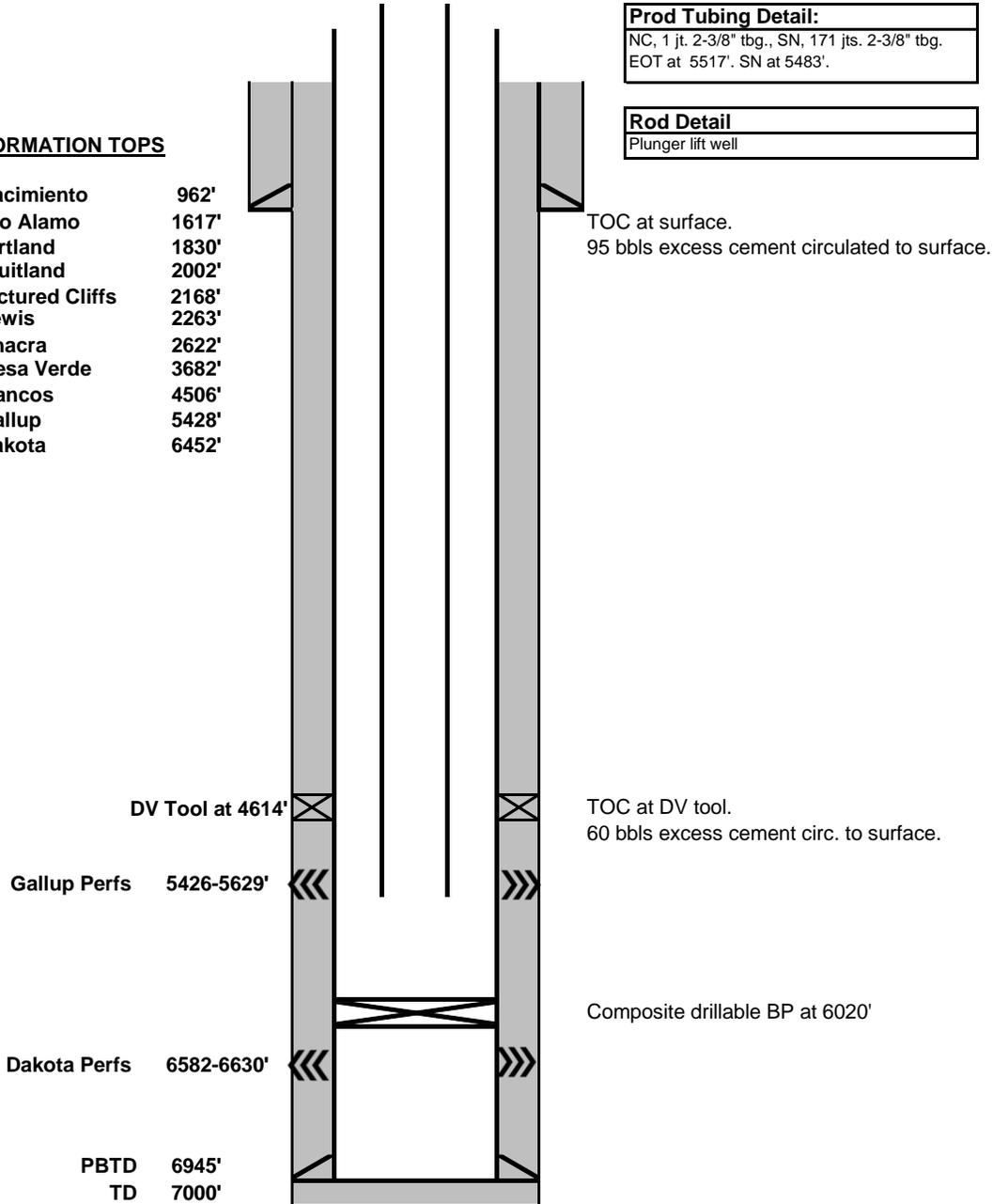
Nacimiento	962'
Ojo Alamo	1617'
Kirtland	1830'
Fruitland	2002'
Pictured Cliffs	2168'
Lewis	2263'
Chacra	2622'
Mesa Verde	3682'
Mancos	4506'
Gallup	5428'
Dakota	6452'

PROD CSG

Hole size 7.875"
 Csg Size: 4.5"
 Wt: 10.5#
 Grade: J-55
 ID: 4.052"
 Depth 6992'
 Csg cap ft³: 0.0895
 Csg/Csg Ann ft³: 0.2471
 Csg/OH cap ft³: 0.2278
 TOC: Stg 1 (Calc) 4614'
 TOC: Stg 2 (Calc) Surface

Prod Tubing Detail:
NC, 1 jt. 2-3/8" tbg., SN, 171 jts. 2-3/8" tbg. EOT at 5517'. SN at 5483'.

Rod Detail
Plunger lift well



Proposed P&A Wellbore Diagram
DJR Operating, LLC
Jicarilla Apache B 9E
 API # 30-039-27726
 SE/NW, Unit F, Sec 20, T24N, R5W
 Rio Arriba County, NM

GL 6540'
 KB 6552'
 Spud Date 6/3/2005

SURF CSG

Hole size 12.25"
 Csg Size: 8.625"
 Wt: 24#
 Grade: J-55
 ID: 8.097"
 Depth 375'
 Csg cap ft³: 0.3576
 TOC: Surf

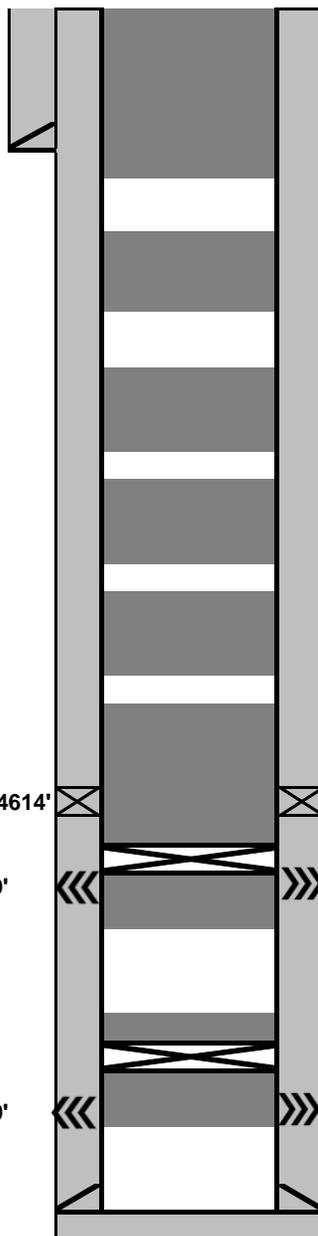
FORMATION TOPS

Nacimiento 962'
 Ojo Alamo 1617'
 Kirtland 1830'
 Fruitland 2002'
 Pictured Cliffs 2168'
 Lewis 2263'
 Chacra 2622'
 Mesa Verde 3682'
 Mancos 4506'
 Gallup 5428'
 Dakota 6452'

PROD CSG

Hole size 7.875"
 Csg Size: 4.5"
 Wt: 10.5#
 Grade: J-55
 ID: 4.052"
 Depth 6992'
 Csg cap ft³: 0.0895
 Csg/Csg Ann ft³: 0.2471
 Csg/OH cap ft³: 0.2278
 TOC: Stg 1 (Calc) 4614'
 TOC: Stg 2 (Calc) Surface

DV Tool at 4614'
 CR 5380'
 Gallup Perfs 5426-5629'
 CR 6540'
 Dakota Perfs 6582-6630'
 PBTD 6945'
 TD 7000'



Plug 9: Surface casing shoe: Spot 425' plug of Class G cement from 425' to surface inside 4-1/2" casing.

TOC at surface.

Plug 8: Nacimiento: Spot 100' plug of Class G cement from 1012-912'.

Plug 7: Pictured Cliffs, Fruitland, Ojo Alamo: Spot 651' balanced plug of Class G cement from 2218-1567'.

Plug 6: Chacra: Spot 100' balanced plug of Class G cement from 2672-2722'.

Plug 5: Mesaverde: Spot 100' balanced plug of Class G cement from 3732-3632'.

Plug 4: Gallup-Mancos: Spot 924' plug of Class G cement on top of CR from 5380-4456'.

TOC at DV tool.

Plug 3: Mix and attempt to place 20 sx Class G cement through CR into Gallup perfs.

Plug 2: Dakota: Spot 50' Class G cement from 6540-6490' on top of CR.

Plug 1: Mix and attempt to place 20 sx Class G cement through CR into Dakota perfs.

**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: Jicarilla Apache B #9E
(API# 3003927726)

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. Plug #6 (Chacra) in the proposed P&A plan should be set from 2670'-2570'.

**GENERAL REQUIREMENTS FOR
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES
FARMINGTON FIELD OFFICE**

- 1.0 The approved plugging plans may contain variances from the following minimum general requirements.
- 1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.
 - 1.2 Requirements may be added to address specific well conditions.
- 2.0 Materials used must be accurately measured. (densometer/scales)
- 3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.
- 3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.
- 4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
- 4.1 The cement shall be as specified in the approved plugging plan.
 - 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.3 Surface plugs may be no less than 50' in length.
 - 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.
 - 4.6 **A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.**

5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

- 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.
- 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.
- 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.
- 5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. **If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.**

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

- 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
- 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H₂S.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), five copies, with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.

9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.

(October 2012 Revision)

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

COMMENTS

Action 13971

COMMENTS

Operator:	OGRID:	Action Number:	Action Type:
DJR OPERATING, LLC 1 Road 3263 Aztec, NM87410	371838	13971	C-103F

Created By	Comment	Comment Date
kpickford	KP GEO Review 1/14/2020	01/14/2021

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 13971

CONDITIONS OF APPROVAL

Operator:	DJR OPERATING, LLC	1 Road 3263	Aztec, NM87410	OGRID:	371838	Action Number:	13971	Action Type:	C-103F
-----------	--------------------	-------------	----------------	--------	--------	----------------	-------	--------------	--------

OCD Reviewer	Condition
kpickford	Extend Gallup/Mancos plug, 5380'-4456'. OCD and BLM Mancos pick @ 4506'.
kpickford	Add a plug 1880'-1780' OCD and BLM Kirtland pick @ 1830'.
kpickford	Add a plug 1667'-1567'. OCD and BLM Ojo Alamo pick @ 1617'.
kpickford	Notify NMOCD 24 Hours Prior to beginning operations