

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-3 APD form.

Operator Signature Date: 3/18/2020

Operator: DJR **Well Name and Number:** Nageezi Unit 306H

API#: 30-045-38247 , **Section:** 2, **Township:** 23N, **Range:** 9 W

Conditions of Approval: (See the below checked and handwritten conditions)

☒ Notify appropriate OCD district office 24hrs prior to spud, casing & cement.

☒ If cement does not circulate on any casing string or stage tool a CBL will be required. Contact the regulatory agencies prior to proceeding.

☒ Hold C-104 for directional survey & "As Drilled" Plat

☐ Hold C-104 for: ☐ NSL, ☐ NSP, ☐ DHC, ☐ 5.9 Compliance

☐ Spacing rule violation. Operator must follow up with change of status notification on other well to be shut in or abandoned

☒ Regarding the use of a pit, closed loop system or below grade tank, the operator must comply with the following as applicable:

- A pit requires a complete C-144 be submitted and approved prior to the construction or use of the pit, pursuant to 19.15.17.8.A
- A closed loop system requires notification prior to use, pursuant to 19.15.17.9.A
- A below grade tank requires a registration be filed prior to the construction or use of the below grade tank, pursuant to 19.15.17.8.C

☒ Any change of plans must adhere to 19.15.7.14(A)(1). Field operation changes requiring immediate approval must be approved by the District Office prior to implementation.

☒ Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the freshwater zone or zones and shall immediately set in cement the water protection string

☒ Regarding Hydraulic Fracturing, review EPA Underground Injection Control Guidance 84

☒ Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system.

☒ Well-bore communication is regulated under 19.15.29 NMAC. This requires well-bore Communication to be reported in accordance with 19.15.29.8.

NMOCD Approved by Signature

Date

Form 3160-3
(June 2015)FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: ☒ DRILL ☐ REENTER		5. Lease Serial No. V09132
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other		6. If Indian, Allottee or Tribe Name
1c. Type of Completion: ☐ Hydraulic Fracturing ☐ Single Zone ☒ Multiple Zone		7. If Unit or CA Agreement, Name and No. NMNM 132981A
2. Name of Operator DJR OPERATING LLC		8. Lease Name and Well No. NAGEEZI UNIT 306H
3a. Address 1700 LINCOLN STREET, SUITE 2800, DENVER, CO 802		9. API Well No. 30-045-38247
3b. Phone No. (include area code) (505) 632-3476		10. Field and Pool, or Exploratory NAGEEZI UNIT HZ OIL POOL/NAGEEZI
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NWNE / 75 FNL / 1494 FEL / LAT 36.263158 / LONG -107.754894 At proposed prod. zone SWSE / 390 FSL / 2046 FEL / LAT 36.24995 / LONG -107.739116		11. Sec., T. R. M. or Blk. and Survey or Area SEC 02/T23N/R9W/NMP
14. Distance in miles and direction from nearest town or post office* 38 miles		12. County or Parish SAN JUAN
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 75 feet		13. State NM
16. No of acres in lease 484		17. Spacing Unit dedicated to this well 443.25
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 20 feet		20. BLM/BIA Bond No. in file IND:
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6982 feet		22. Approximate date work will start* 07/22/2020
		23. Estimated duration 10 days
24. Attachments		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be requested by the BLM. |

25. Signature (Electronic Submission)	Name (Printed/Typed) SHAW N / Ph: (505) 632-3476	Date 03/18/2020
Title Regulatory Specialist		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) RICHARD FIELDS / Ph: (505) 564-7612	Date 11/19/2020
Title Field Manager		
Office Farmington Field Office		

Application approval 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.

Conditions of approval, if any, are attached.

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.



(Continued on page 2)

*(Instructions on page 2)

4V

DISTRICT I1626 W. French Dr., Hobbs, N.M. 88240
Phone: (575) 398-6161 Fax: (575) 398-0720**DISTRICT II**611 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1283 Fax: (575) 748-9720**DISTRICT III**1000 Rio Bravo Rd., Antec, N.M. 87410
Phone: (505) 534-6178 Fax: (505) 534-6170**DISTRICT IV**1820 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3480 Fax: (505) 476-3488State of New Mexico
Energy, Minerals & Natural Resources DepartmentForm C-102
Revised August 1, 2011Submit one copy to appropriate
District OfficeOIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-38247		² Pool Code 98080	³ Pool Name NAGEEZI UNIT MANCOS OIL POOL
⁴ Property Code 325268	⁵ Property Name NAGEEZI UNIT		⁶ Well Number 306H
⁷ GRID No. 371838	⁸ Operator Name DJR OPERATING, LLC		⁹ Elevation 6982'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	2	23N	9W	2	75'	NORTH	1494'	EAST	SAN JUAN

¹¹ 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
O	1	23N	9W		390'	SOUTH	2046'	EAST	SAN JUAN

¹² Dedicated Acres SEC 2: NW/NE, NE/NE & SE/NE (122.20 AC.); SEC 1: NW/NW, SW/NW, SE/NW, NW/SW, NE/SW, SE/SW, NW/SE & SW/SE (321.05 AC.) = 443.25 ACRES TOTAL	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. R-13856 R-13856A
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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

FND 2" BC
GLO 1933

FND 2" BC
GLO 1947

FND MONUMENT
AS NOTED

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.

Shaw-Marie Ford 5/26/20
Signature Date

Shaw-Marie Ford
Printed Name

sford@djrlc.com
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.

JULY 2, 2019
Date of Survey

Signature and Seal of Professional Surveyor:

Certificate Number 11393

DISTRICT I

1685 N. French Dr., Hobbs, N.M. 88240
Phone: (575) 393-6181 Fax: (575) 393-0720

DISTRICT II

811 S. First St., Artesia, N.M. 88210
Phone: (575) 748-1283 Fax: (575) 748-9780

DISTRICT III

1000 El Estero Rd., Aztec, N.M. 87410
Phone: (505) 334-8178 Fax: (505) 334-6170

DISTRICT IV

1820 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals & Natural Resources Department

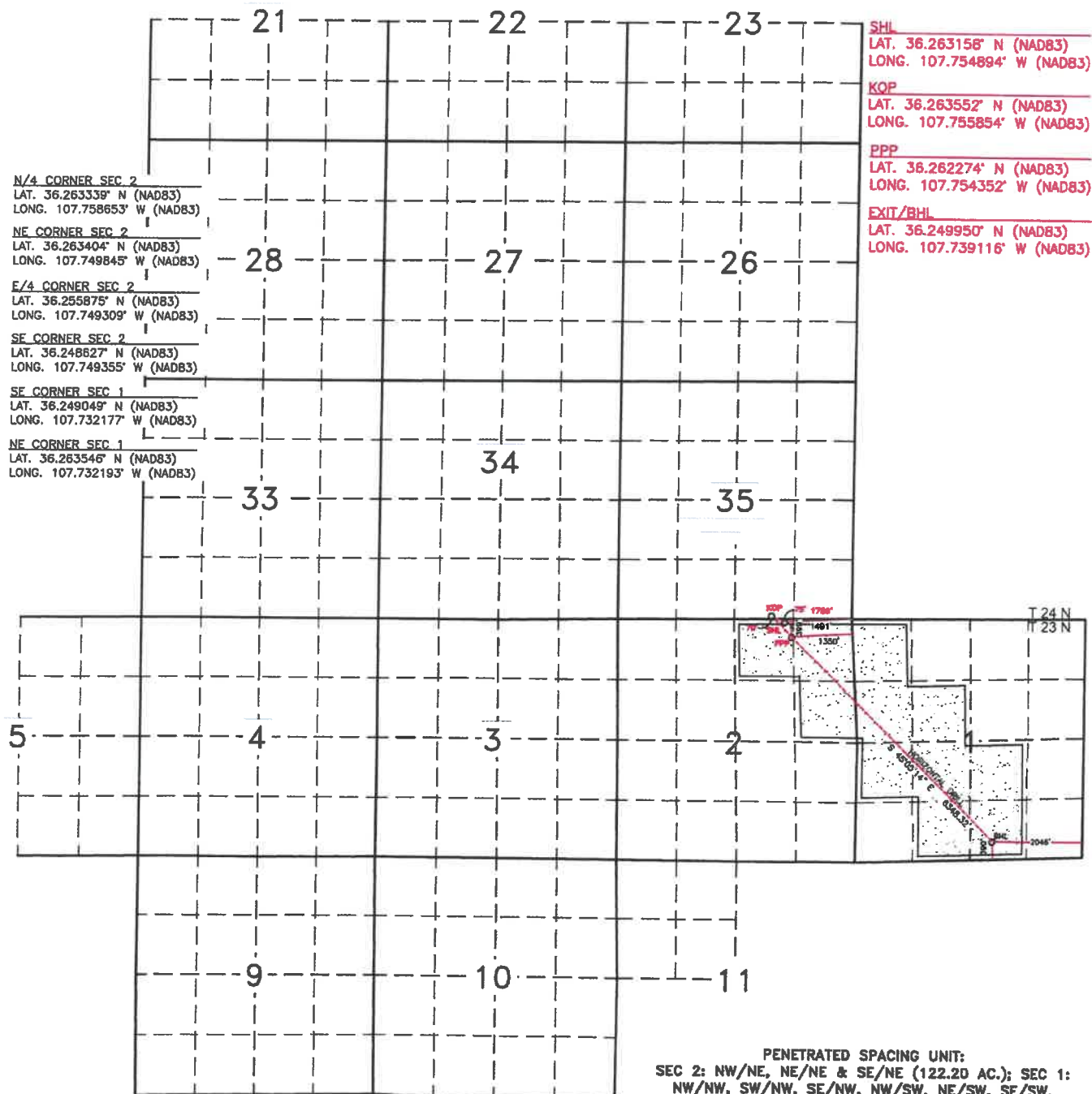
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

☐ AMENDED REPORT

DJR OPERATING, LLC
NAGEEZI UNIT #306H



Rev 1



DRILLING PLAN Nageezi Unit 306H San Juan County, New Mexico

Surface Location

1494-ft FEL & 75-ft FNL
Sec 2 T23N R09W
Graded Elevation 6882' MSL
RKB Elevation 6996' (14' KB)

SHL Geographical Coordinates (NAD-83)

Latitude 36.2631580° N
Longitude 107.7548940° W

Kick Off Point for Horizontal Build Curve

4653-ft MD
4641-ft TVD

Local Coordinates (from SHL)

143-ft North
283-ft West

Heel Location (Pay zone entry)

1350-ft FEL & 399-ft FNL
Sec 2 T23N R9W

Heel Geographical Coordinates (NAD-83)

Latitude 36.2622739° N
Longitude 107.75435150° W

Bottom Hole Location (TD)

2046-ft FEL & 390-ft FSL
Sec 1 T23N R9W

BHL Geographical Coordinates (NAD-83)

Latitude 36.2499502° N
Longitude 107.7391163° W

Well objectives

This well is planned as a 6350-ft lateral in the Gallup C R3 sand.

Bottom Hole temperature and pressure

The temperature in the Gallup C R3 horizontal objective is 141°F. Bottom hole pressure in the Gallup C R3 is forecast to be 1985 psi.

Formation Tops (Sd = Sand; Sh = Shale; Siltstone = Slt, Coal = C; W = water; O = oil; G = gas; NP = no penetration)

Name	MD (ft)	TVD (ft)	Lithology	Pore fluid	Expected Pore Pressure (ppg)	Planned Mud Weight (ppg)
Ojo Alamo	865	864	Sd	W	8.3	8.4 – 8.8
Kirtland	949	948	Sh	-	8.3	8.4 – 8.8
Fruitland	1262	1260	C	G	8.3	9.0 - 9.5
Pictured Cliffs	1605	1602	Sd	W	8.3	9.0 - 9.5
Lewis	1700	1697	Sh	-		9.0 - 9.5
Chacra	2391	2386	Sd	-	8.3	9.0 - 9.5
Menefee	3105	3098	Sd, C	G	8.3	9.0 - 9.5
Point Lookout	4082	4072	Sd	-	8.3	9.0 - 9.5
Mancos	4251	4240	Sh	-		9.0 - 9.5
Mancos Silt	4576	4564	Slt	O/G	6.6	9.0 - 9.5
Gallup A	5100	5062	Slt	O/G	6.6	9.0 - 9.5
Gallup B	5154	5104	Sd	O/G	6.6	8.8 - 9.0
Gallup C	5336	5223	Sd	O/G	6.6	8.8 - 9.0
Target	5706	5324	Sd	O/G	6.6	8.8 - 9.0

Casing Program

Casing OD	Hole Size	Weight (#/ft)	Grade	Coupling	MD Top	MD Bottom	TVD Top	TVD Bottom	Top of Cement
9-5/8"	12-1/4"	36	K-55	STC	surf	350	surf	350	surface
7"	8-3/4"	26	K-55	LTC	surf	5644	surf	5322	surface
4-1/2"	6-1/8"	11.6	P-110	BTC	5366	12055	5239	5256	5366

Note: all casing will be new

Rev 1

**Casing Design Load Cases**

	Description	Casing String		
		9-5/8" Surface	7" Intermediate	4-1/2" Production Liner
Collapse	Full internal evacuation ¹	✓	✓	✓
	Cementing	✓	✓	✓
Burst	Pressure test	✓ ²	✓ ²	✓
	Gas kick		✓ ³	
	Fracture at shoe, 1/3 BHP at surface		✓ ⁴	
	Injection down casing			✓ ⁵
Axial	Dynamic load on casing coupling ⁶	✓	✓	✓
Axial	Overpull ⁷	✓	✓	✓

Note #

- 1 Fluid level at shoe, air column to surface, pore pressure outside
- 2 Tested to 80% of minimum internal yield with freshwater inside, pore pressure outside
- 3 50 bbl kick at TD, 0.50 ppg intensity, 4" drill pipe, 9.0 ppg mud, fracture gradient at shoe
- 4 2060 psi BHP, 687 psi surface pressure, 12.5 ppg EMW shoe integrity
- 5 Surface stimulation pressure of 8000 psi on 8.3 ppg fluid column. Stimulation will be down frac string, so load does not apply to 7" intermediate casing.
- 6 Shock load from abrupt pipe deceleration, evaluated against coupling rating
- 7 Overpull values as follows: Surface casing 20,000 lbs, Intermediate & Production 100,000 lbs

Casing Design Factors

Casing string	Casing OD	Design Factors			
		Burst	Collapse	Axial	Triaxial
Surface	9-5/8"	1.25	13.38	8.16	1.56
Intermediate	7"	1.25	1.50	1.68	1.34
Production liner	4-1/2"	1.37	3.68	1.88	1.69

Cement Design9-5/8" Surface Casing

Name	Redi-Mix
Type	I-II
Planned top	Surface
Density (ppg)	14.50
Yield (cf/sx)	1.61
Mix water (gal/sx)	7.41
Volume (sx)	114
Volume (bbls)	33
Volume (cu. ft.)	185
Excess %	50

7" Intermediate Casing

Type	Lead	Tail
Planned top	BJ Services	BJ Services
Density (ppg)	III	Poz/G
Yield (cf/sx)	Surface	4153-ft
Mix water (gal/sx)	12.30	13.50
Volume (sx)	2.34	1.50
Volume (bbls)	13.26	7.20
Volume (cu.ft.)	416	246
Excess %	173	65
	973	368
	50	50



Rev 1

4-1/2" Production Liner

	BJ Services
Type	Poz/G
Planned top	5366-ft
Density (ppg)	13.3
Yield (cf/sx)	1.56
Mix water (gal/sx)	7.71
Volume (sx)	562
Volume (bbls)	156
Volume (cu.ft)	878
Excess %	40

Wellhead & Pressure Control

The well head will be an 11" 5M multi-bowl system. A 3M BOPE conforming to Onshore Order #2 will be installed on the surface casing. The BOP and accumulator will meet API 16D and 16E respectively.

A PVT mud monitoring system and a trip tank will be rigged up and operational for all hole intervals. An electronic geograph will be employed to monitor and record drilling data (ROP, WOB, SPM, Pressure, RPM and torque).

Mud Program

Surface hole will be drilled with a fresh water, native mud system. In intermediate hole, a low weight 7% KCl LSND drilling fluid will be used, with KCl providing chemical stability for the young shales and clays present in the interval. In production hole a LSND system with polymer and lubricant additives is programmed. Sufficient drill water and mud additives will be on hand to maintain adequate pit volumes and maintain well control.

Hole Section	Fluid type	Interval (MD)	Density (ppg)	Funnel Viscosity	Yield Point	Fluid Loss (cc/30 min)
Surface	Fresh water spud mud	0 – 350	8.4 – 8.8	32 – 44	2 – 12	NC
Intermediate	7% KCl Low solids, non-dispersed	350 – 5644	9.0 – 9.5	38 – 45	8 – 14	<20
Production	Low solids, non-dispersed	5644 – 12055	8.8 – 9.2	34 – 38	6 – 8	6 – 8

Cores, tests and logs

Wellbore surveying: Drift (inclination only) surveys will be obtained in surface hole. MWD directional surveys will be taken in intermediate and production hole.

Logging while drilling: None in surface hole. MWD GR in intermediate and production hole.

Mud logging: a two-person mud logging unit with C1 – C4 gas analysis will be operational in intermediate and production hole.

Electric logging: No open hole electric logs are programmed. A cased hole GR/CCL will be run during completions for perforating depth control.

Cuttings and drilling fluids management

✓ A closed loop, steel tank-based circulating system will be used. In addition to the rig solids control equipment, a dewatering centrifuge and chemical flocculation system will be operational to strip solids from the whole mud. All solids will be collected in 3-sided bins and will then be put into transports with a bucket loader. Drying agents will be used if necessary. The solids will be taken to a licensed commercial disposal facility. Whole mud will be dewatered back to drill water and used as make up for subsequent wells or hauled off for disposal. A diagram of the closed loop system is included.

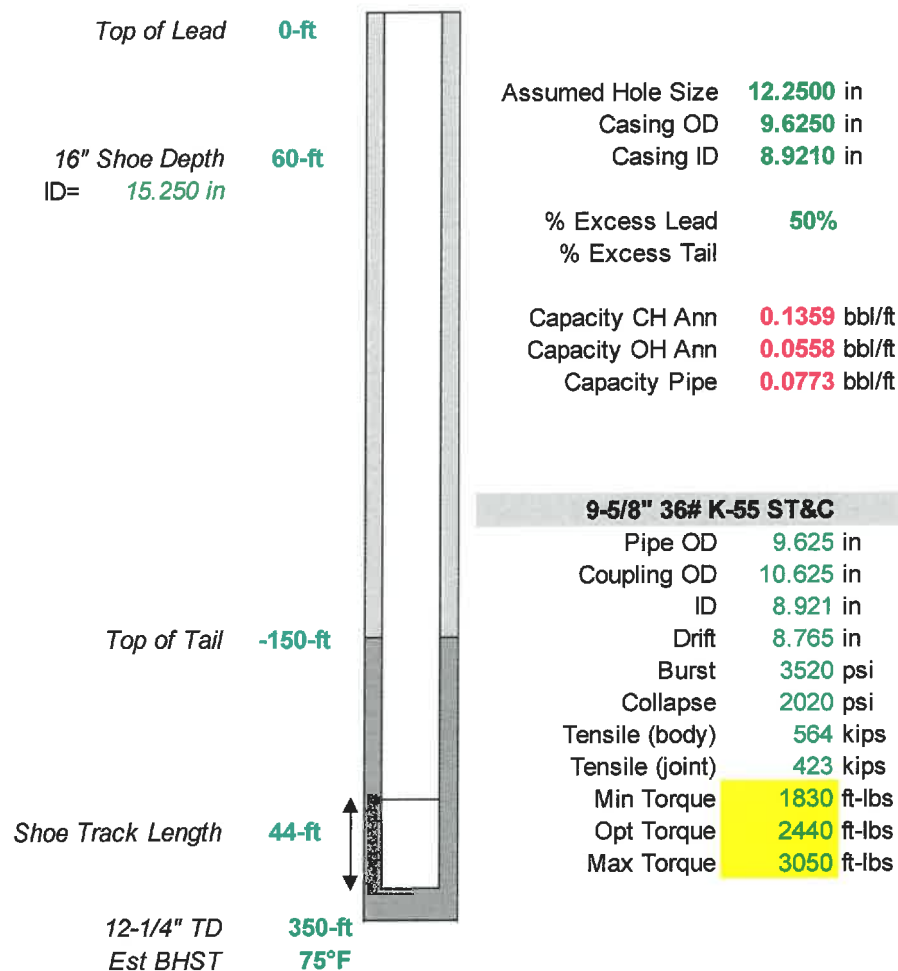
Completion

It is envisioned that this well will be completed with a multi-stage sand frac, using the plug and perf technique. After drilling out the plugs, the current plan is to install a 2-7/8" plunger-assisted gas lift tubing string. The stimulation and completion plan will be sundried at a later date.

Rev 0



9-5/8" Surface Casing & Cementing

**Lead Slurry****Properties**

Redi Mix Type I/ii	Density	14.50 ppg
20% Fly Ash	Yield	1.61 cf/sk
	Total Mix Fluid	7.41 gal/sk
	Est pump time (70Bc)	NA
	8-hr compressive	475 psi
	24-hr compressive	1375 psi

Tail Slurry**Properties**

None	Density	ppg
	Yield	cf/sk
	Total Mix Fluid	gal/sk
	Est pump time (70Bc)	
	50 psi strength in	
	24/72 hr strength	psi

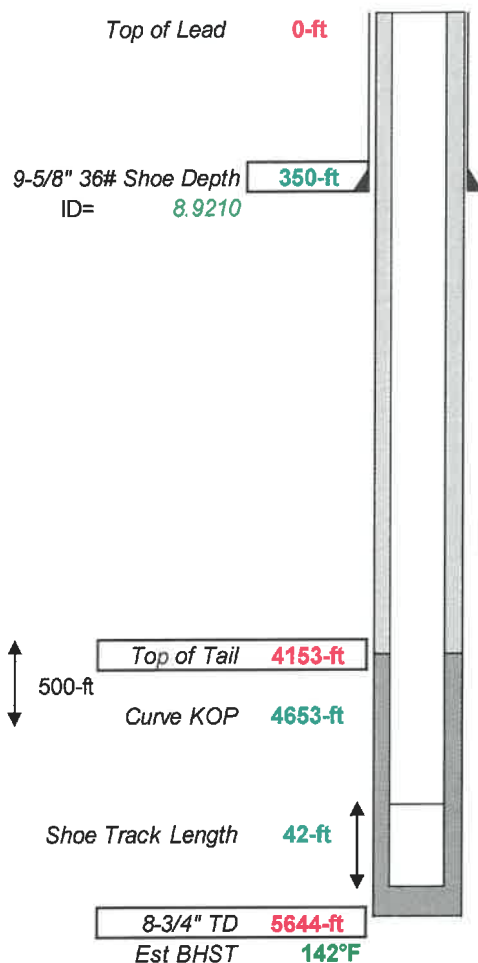
Volumes

Lead Volume	33 bbls	114 sx
Tail Volume	bbls	sx
Displacement	24 bbls	
Total Volume	56 bbls	

Rev 0



**7" Intermediate Casing & Cementing
Nageezi Unit 306H**



Assumed Hole Size Lead	8.7500 in
Assumed Hole Size Tail	8.7500 in
Casing OD	7.0000 in
Casing ID	6.2760 in

% OH Excess Lead	60%
% OH Excess Tail	60%

Capacity CH Ann	0.0297 bbl/ft
Capacity OH Ann Lead	0.0268 bbl/ft
Capacity OH Ann Tail	0.0268 bbl/ft
Capacity Pipe	0.0383 bbl/ft

7" 26# K-55 LT&C

Pipe OD	7.000 in
Weight	26 lbs/ft
Grade	K-55
Coupling	LTC
Coupling OD	7.656 in
ID	6.276 in
Drift	6.151 in
Burst	4980 psi
Collapse	4320 psi
Tensile (body)	415 kips
Tensile (joint)	401 kips
Min Torque	3008 ft-lbs
Opt Torque	4010 ft-lbs
Max Torque	5013 ft-lbs

BJ Lead Slurry

		Properties	
Type III		Density	12.30 ppg
BA-90	5 lb/sx%	Yield	2.3404 cf/sk
KCI	3.00%	Total Mix Fluid	13.26 gal/sk
GW-86	0.10%	Thickening Time	3:11 hr:min
FL-66	0.20%	Time to 50 psi (80°F)	5:10 hr:min
R-3	0.50%	24-hr UCA (80°F)	659 psi
FP-25	0.30%		

BJ Tail Slurry

		Properties	
G+Pozz	50:50	Density	13.50 ppg
BA-90	3 lb/sx	Yield	1.4946 cf/sk
FL-66	0.40%	Total Mix Fluid	7.24 gal/sk
FP-25	0.30%	Thickening Time	3:26 hr:min
Sod. Met	0.50%	Time to 50 psi (135°F)	2:55 hr:min
Gyp	3.00%	Time to 500 psi (135°F)	6:40 hr:min

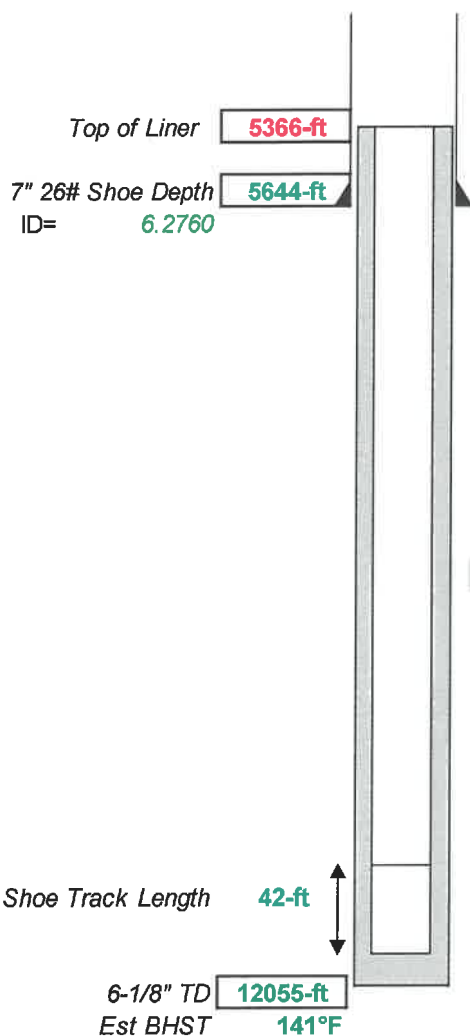
Volumes

Lead Volume	173 bbls	416 sx
Tail Volume	65 bbls	246 sx
Approx Displacement	214 bbls	
Total Volume	453 bbls	

Rev 0



4-1/2" Liner Cementing Nageezi Unit 306H

Assumed Hole Size **6.1250** inCasing OD **4.5000** inCasing ID **4.0000** in% Excess Open Hole **40%**Capacity CH Ann **0.0186** bbl/ftCapacity OH Ann **0.0168** bbl/ftCapacity Pipe **0.0155** bbl/ft

4-1/2" 11.6# HCP-110 BTC

Pipe OD **4.500** inWeight **11.6** lbs/ftGrade **P-110**Coupling **LTC**Coupling OD **5.000** inID **4.000** inDrift **3.875** inBurst **10690** psiCollapse **8650** psiTensile (body) **367** kipsTensile (joint) **385** kipsMin Torque **ft-lbs**Opt Torque **Triangle** ft-lbsMax Torque **ft-lbs**

BJ Lead Slurry

G+Pozz **50:50**
 BA-90 **3 lb/sx**
 GW-86 **0.10%**
 R-3 **0.40%**
 FP-25 **30.00%**
 FL-24 **0.40%**
 Gel **4.00%**

Properties

Density **13.30** ppg
 Yield **1.5629** cf/sk
 Total Mix Fluid **7.70** gal/sk
 Thickening Time **6:04** hr:min
 Time to 50 psi (147°F) **7:15** hr:min
 24-hr UCA (147°F) **1293** psi

Volumes

Lead Volume **156** bbls **562** sx
 Approx Displacement **130** bbls
 Total Volume **287** bbls



Company: DJR Operating
Project: Nageezi Unit
Site: B02 2309
Well: 306H
Wellbore: Original Drilling
Design: APD

PROJECT DETAILS: Nageezi Unit

Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: New Mexico Western Zone
System Datum: Mean Sea Level
Local North: True

WELL DETAILS: 306H

+N-S +E-W Northing Easting
0.00 0.00 1915097.69 2746215.71
GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
Latitude Longitude
36.2631580 -107.7548940

Plan: APD (306H/Original Drilling)

Created By: Janie Collins Date: 10/28, January 07 2020

DESIGN TARGET DETAILS

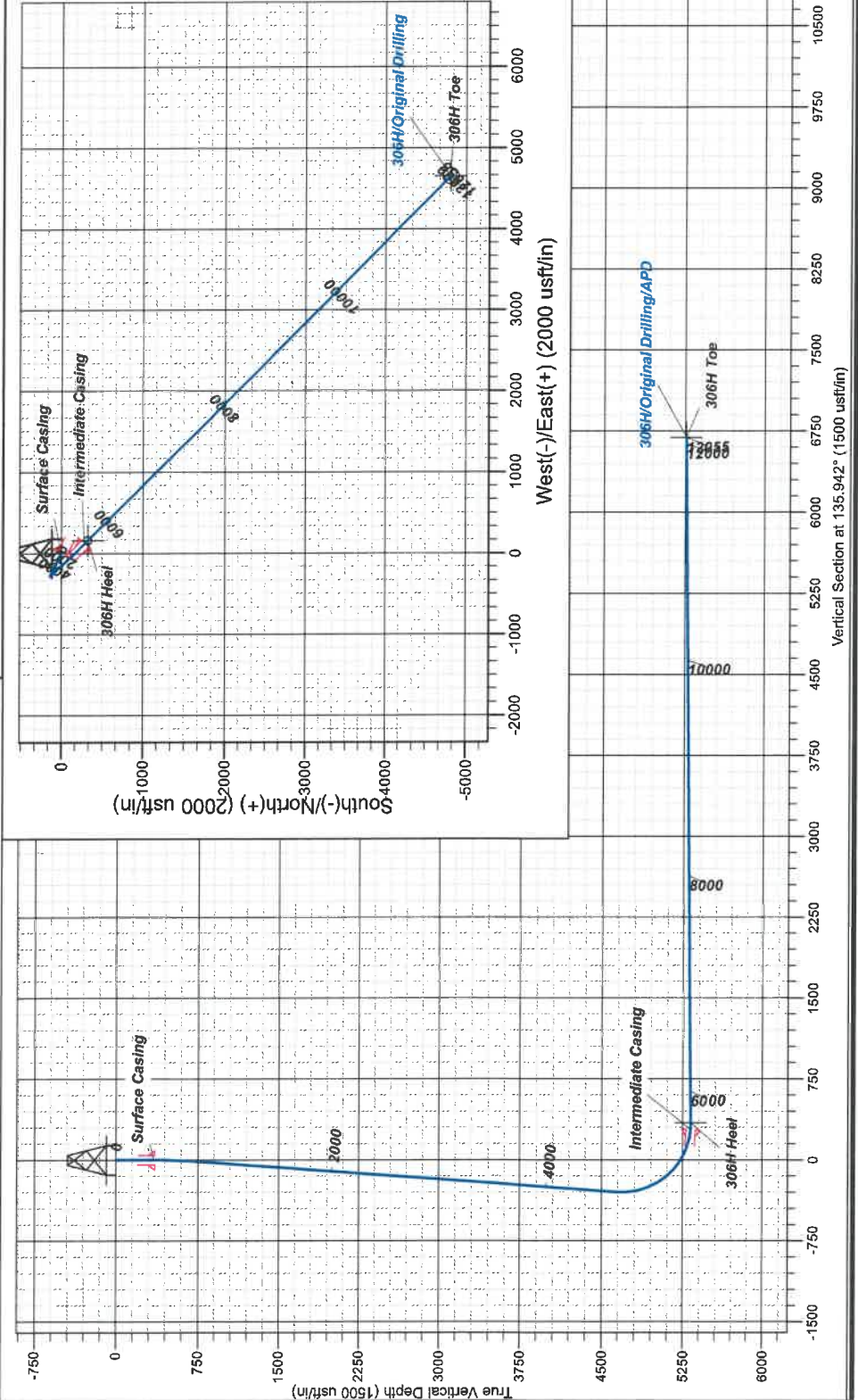
Name	TVD	+N-S	+E-W	Northing	Easting	Latitude	Longitude
306H Heel	5324.00	-321.83	159.93	1914775.69	2746375.90	36.2622739	-107.7543515
306H Toe	5256.00	-4807.57	4652.07	1910293.89	2750871.67	36.2498502	-107.7391163

SECTION DETAILS

MD	Inc	Azi	TVD	+N-S	+E-W	Diep	TFace	VSecl	Target
0.00	0.00	0.000	0.00	0.00	0.00	0.00	0.00	0.00	
400.00	0.00	0.000	400.00	0.00	0.00	0.00	0.00	0.00	
619.24	4.38	296.882	619.03	3.79	-7.48	2.00	296.88	-7.93	
4653.37	4.38	296.882	4841.34	143.25	-282.58	0.00	0.00	-299.45	
5256.00	90.61	134.969	5256.00	-4807.57	4652.07	0.00	-161.86	342.49	306H Heel
12055.18	90.61	134.969	5256.00	-4807.57	4652.07	0.00	0.00	6085.86	306H Toe

CASING DETAILS

TVD	MD	Name
350.00	350.00	Surface Casing
5321.65644	10	Intermediate Casing



FORMATION DETAILS

MDPath	Formation
864.00	Ojo Alamo
948.00	Kirtland
1262.00	Fruitland
1602.00	Pictured Cliffs
1697.00	Lewis
2386.00	Menefee
3098.00	Point Lookout
4072.00	Mancos
4240.00	Mancos Silt
4564.00	Gallup A
5082.00	Gallup B
5104.00	Gallup C
5153.72	
5223.00	



DJR Operating

Nageezi Unit

B02 2309

306H - Slot 3

Original Drilling

Plan: APD

Standard Planning Report

07 January, 2020



www.scientificdrilling.com



Scientific Drilling, Intl
Planning Report



Database:	Grand Junction	Local Co-ordinate Reference:	Well 306H - Slot 3
Company:	DJR Operating	TVD Reference:	GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
Project:	Nageezi Unit	MD Reference:	GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
Site:	B02 2309	North Reference:	True
Well:	306H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Drilling		
Design:	APD		

Project	Nageezi Unit		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Western Zone		

Site	B02 2309		
Site Position:		Northing:	1,915,079.49 usft
From:	Map	Easting:	2,746,207.76 usft
Position Uncertainty:	0.00 usft	Slot Radius:	13.20 in
		Latitude:	36.2631080
		Longitude:	-107.7549210
		Grid Convergence:	0.05 °

Well	306H - Slot 3		
Well Position	+N/-S	18.19 usft	Northing: 1,915,097.69 usft
	+E/-W	7.96 usft	Easting: 2,746,215.71 usft
Position Uncertainty	0.00 usft	Wellhead Elevation:	Latitude: 36.2631580
			Longitude: -107.7548940
			Ground Level: 6,982.00 usft

Wellbore	Original Drilling				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	HDGM_FILE	12/20/2019	8.78	62.78	49,421.40000000

Design	APD			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	135.942

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
400.00	0.00	0.000	400.00	0.00	0.00	0.00	0.00	0.00	0.00	
619.24	4.38	296.882	619.03	3.79	-7.48	2.00	2.00	0.00	296.88	
4,653.37	4.38	296.882	4,641.34	143.25	-282.58	0.00	0.00	0.00	0.00	
5,706.49	90.61	134.959	5,324.00	-321.83	159.93	9.00	8.19	-15.38	-161.86	306H Heel
12,055.18	90.61	134.959	5,256.00	-4,807.57	4,652.07	0.00	0.00	0.00	0.00	306H Toe



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Database:	Grand Junction	Local Co-ordinate Reference:	Well 306H - Slot 3
Company:	DJR Operating	TVD Reference:	GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
Project:	Nageezi Unit	MD Reference:	GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
Site:	B02 2309	North Reference:	True
Well:	306H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Drilling		
Design:	APD		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
0.00	0.00	0.000	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.000	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.000	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.000	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.000	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	2.00	296.882	499.98	0.79	-1.56	-1.65	2.00	2.00	0.00
600.00	4.00	296.882	599.84	3.16	-6.22	-6.60	2.00	2.00	0.00
619.24	4.38	296.882	619.03	3.79	-7.48	-7.93	2.00	2.00	0.00
700.00	4.38	296.882	699.55	6.58	-12.99	-13.76	0.00	0.00	0.00
800.00	4.38	296.882	799.26	10.04	-19.81	-20.99	0.00	0.00	0.00
900.00	4.38	296.882	898.96	13.50	-26.63	-28.21	0.00	0.00	0.00
1,000.00	4.38	296.882	998.67	16.95	-33.44	-35.44	0.00	0.00	0.00
1,100.00	4.38	296.882	1,098.38	20.41	-40.26	-42.67	0.00	0.00	0.00
1,200.00	4.38	296.882	1,198.09	23.87	-47.08	-49.89	0.00	0.00	0.00
1,300.00	4.38	296.882	1,297.79	27.33	-53.90	-57.12	0.00	0.00	0.00
1,400.00	4.38	296.882	1,397.50	30.78	-60.72	-64.35	0.00	0.00	0.00
1,500.00	4.38	296.882	1,497.21	34.24	-67.54	-71.57	0.00	0.00	0.00
1,600.00	4.38	296.882	1,596.92	37.70	-74.36	-78.80	0.00	0.00	0.00
1,700.00	4.38	296.882	1,696.62	41.15	-81.18	-86.03	0.00	0.00	0.00
1,800.00	4.38	296.882	1,796.33	44.61	-88.00	-93.25	0.00	0.00	0.00
1,900.00	4.38	296.882	1,896.04	48.07	-94.82	-100.48	0.00	0.00	0.00
2,000.00	4.38	296.882	1,995.74	51.52	-101.64	-107.71	0.00	0.00	0.00
2,100.00	4.38	296.882	2,095.45	54.98	-108.46	-114.93	0.00	0.00	0.00
2,200.00	4.38	296.882	2,195.16	58.44	-115.28	-122.16	0.00	0.00	0.00
2,300.00	4.38	296.882	2,294.87	61.90	-122.10	-129.38	0.00	0.00	0.00
2,400.00	4.38	296.882	2,394.57	65.35	-128.92	-136.61	0.00	0.00	0.00
2,500.00	4.38	296.882	2,494.28	68.81	-135.73	-143.84	0.00	0.00	0.00
2,600.00	4.38	296.882	2,593.99	72.27	-142.55	-151.06	0.00	0.00	0.00
2,700.00	4.38	296.882	2,693.70	75.72	-149.37	-158.29	0.00	0.00	0.00
2,800.00	4.38	296.882	2,793.40	79.18	-156.19	-165.52	0.00	0.00	0.00
2,900.00	4.38	296.882	2,893.11	82.64	-163.01	-172.74	0.00	0.00	0.00
3,000.00	4.38	296.882	2,992.82	86.09	-169.83	-179.97	0.00	0.00	0.00
3,100.00	4.38	296.882	3,092.52	89.55	-176.65	-187.20	0.00	0.00	0.00
3,200.00	4.38	296.882	3,192.23	93.01	-183.47	-194.42	0.00	0.00	0.00
3,300.00	4.38	296.882	3,291.94	96.47	-190.29	-201.65	0.00	0.00	0.00
3,400.00	4.38	296.882	3,391.65	99.92	-197.11	-208.88	0.00	0.00	0.00
3,500.00	4.38	296.882	3,491.35	103.38	-203.93	-216.10	0.00	0.00	0.00
3,600.00	4.38	296.882	3,591.06	106.84	-210.75	-223.33	0.00	0.00	0.00
3,700.00	4.38	296.882	3,690.77	110.29	-217.57	-230.55	0.00	0.00	0.00
3,800.00	4.38	296.882	3,790.48	113.75	-224.39	-237.78	0.00	0.00	0.00
3,900.00	4.38	296.882	3,890.18	117.21	-231.21	-245.01	0.00	0.00	0.00
4,000.00	4.38	296.882	3,989.89	120.66	-238.03	-252.23	0.00	0.00	0.00
4,100.00	4.38	296.882	4,089.60	124.12	-244.84	-259.46	0.00	0.00	0.00
4,200.00	4.38	296.882	4,189.31	127.58	-251.66	-266.69	0.00	0.00	0.00
4,300.00	4.38	296.882	4,289.01	131.04	-258.48	-273.91	0.00	0.00	0.00
4,400.00	4.38	296.882	4,388.72	134.49	-265.30	-281.14	0.00	0.00	0.00
4,500.00	4.38	296.882	4,488.43	137.95	-272.12	-288.37	0.00	0.00	0.00
4,600.00	4.38	296.882	4,588.13	141.41	-278.94	-295.59	0.00	0.00	0.00
4,653.37	4.38	296.882	4,641.34	143.25	-282.58	-299.45	0.00	0.00	0.00
4,700.00	1.36	223.743	4,687.92	143.66	-284.56	-301.11	9.00	-6.48	-156.84
4,800.00	9.13	143.493	4,787.48	136.40	-280.65	-293.19	9.00	7.77	-80.25
4,900.00	18.08	139.157	4,884.58	118.25	-265.75	-269.78	9.00	8.95	-4.34



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Project:	Nageezi Unit	MD Reference:	GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
Site:	B02 2309	North Reference:	True
Well:	306H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Drilling		
Design:	APD		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
5,000.00	27.06	137.645	4,976.83	89.64	-240.23	-231.47	9.00	8.98	-1.51
5,100.00	36.05	136.848	5,061.95	51.29	-204.70	-179.21	9.00	8.99	-0.80
5,200.00	45.05	136.336	5,137.86	4.13	-160.06	-114.27	9.00	8.99	-0.51
5,300.00	54.04	135.964	5,202.68	-50.68	-107.39	-38.26	9.00	9.00	-0.37
5,400.00	63.04	135.668	5,254.82	-111.78	-47.99	46.96	9.00	9.00	-0.30
5,500.00	72.03	135.416	5,292.99	-177.66	16.67	139.27	9.00	9.00	-0.25
5,600.00	81.03	135.189	5,316.25	-246.72	85.01	236.42	9.00	9.00	-0.23
5,700.00	90.03	134.973	5,324.04	-317.24	155.33	336.00	9.00	9.00	-0.22
5,706.49	90.61	134.959	5,324.00	-321.83	159.93	342.49	9.00	9.00	-0.21
5,800.00	90.61	134.959	5,323.00	-387.90	226.09	435.98	0.00	0.00	0.00
5,900.00	90.61	134.959	5,321.93	-458.55	296.85	535.96	0.00	0.00	0.00
6,000.00	90.61	134.959	5,320.86	-529.21	367.60	635.94	0.00	0.00	0.00
6,100.00	90.61	134.959	5,319.79	-599.87	438.36	735.92	0.00	0.00	0.00
6,200.00	90.61	134.959	5,318.71	-670.52	509.12	835.90	0.00	0.00	0.00
6,300.00	90.61	134.959	5,317.64	-741.18	579.88	935.87	0.00	0.00	0.00
6,400.00	90.61	134.959	5,316.57	-811.83	650.63	1,035.85	0.00	0.00	0.00
6,500.00	90.61	134.959	5,315.50	-882.49	721.39	1,135.83	0.00	0.00	0.00
6,600.00	90.61	134.959	5,314.43	-953.15	792.15	1,235.81	0.00	0.00	0.00
6,700.00	90.61	134.959	5,313.36	-1,023.80	862.90	1,335.79	0.00	0.00	0.00
6,800.00	90.61	134.959	5,312.29	-1,094.46	933.66	1,435.77	0.00	0.00	0.00
6,900.00	90.61	134.959	5,311.22	-1,165.12	1,004.42	1,535.75	0.00	0.00	0.00
7,000.00	90.61	134.959	5,310.15	-1,235.77	1,075.18	1,635.73	0.00	0.00	0.00
7,100.00	90.61	134.959	5,309.07	-1,306.43	1,145.93	1,735.71	0.00	0.00	0.00
7,200.00	90.61	134.959	5,308.00	-1,377.08	1,216.69	1,835.69	0.00	0.00	0.00
7,300.00	90.61	134.959	5,306.93	-1,447.74	1,287.45	1,935.67	0.00	0.00	0.00
7,400.00	90.61	134.959	5,305.86	-1,518.40	1,358.20	2,035.65	0.00	0.00	0.00
7,500.00	90.61	134.959	5,304.79	-1,589.05	1,428.96	2,135.63	0.00	0.00	0.00
7,600.00	90.61	134.959	5,303.72	-1,659.71	1,499.72	2,235.61	0.00	0.00	0.00
7,700.00	90.61	134.959	5,302.65	-1,730.36	1,570.47	2,335.59	0.00	0.00	0.00
7,800.00	90.61	134.959	5,301.58	-1,801.02	1,641.23	2,435.57	0.00	0.00	0.00
7,900.00	90.61	134.959	5,300.51	-1,871.68	1,711.99	2,535.55	0.00	0.00	0.00
8,000.00	90.61	134.959	5,299.43	-1,942.33	1,782.75	2,635.53	0.00	0.00	0.00
8,100.00	90.61	134.959	5,298.36	-2,012.99	1,853.50	2,735.51	0.00	0.00	0.00
8,200.00	90.61	134.959	5,297.29	-2,083.65	1,924.26	2,835.49	0.00	0.00	0.00
8,300.00	90.61	134.959	5,296.22	-2,154.30	1,995.02	2,935.47	0.00	0.00	0.00
8,400.00	90.61	134.959	5,295.15	-2,224.96	2,065.77	3,035.45	0.00	0.00	0.00
8,500.00	90.61	134.959	5,294.08	-2,295.61	2,136.53	3,135.43	0.00	0.00	0.00
8,600.00	90.61	134.959	5,293.01	-2,366.27	2,207.29	3,235.40	0.00	0.00	0.00
8,700.00	90.61	134.959	5,291.94	-2,436.93	2,278.04	3,335.38	0.00	0.00	0.00
8,800.00	90.61	134.959	5,290.87	-2,507.58	2,348.80	3,435.36	0.00	0.00	0.00
8,900.00	90.61	134.959	5,289.79	-2,578.24	2,419.56	3,535.34	0.00	0.00	0.00
9,000.00	90.61	134.959	5,288.72	-2,648.89	2,490.32	3,635.32	0.00	0.00	0.00
9,100.00	90.61	134.959	5,287.65	-2,719.55	2,561.07	3,735.30	0.00	0.00	0.00
9,200.00	90.61	134.959	5,286.58	-2,790.21	2,631.83	3,835.28	0.00	0.00	0.00
9,300.00	90.61	134.959	5,285.51	-2,860.86	2,702.59	3,935.26	0.00	0.00	0.00
9,400.00	90.61	134.959	5,284.44	-2,931.52	2,773.34	4,035.24	0.00	0.00	0.00
9,500.00	90.61	134.959	5,283.37	-3,002.18	2,844.10	4,135.22	0.00	0.00	0.00
9,600.00	90.61	134.959	5,282.30	-3,072.83	2,914.86	4,235.20	0.00	0.00	0.00
9,700.00	90.61	134.959	5,281.23	-3,143.49	2,985.62	4,335.18	0.00	0.00	0.00
9,800.00	90.61	134.959	5,280.16	-3,214.14	3,056.37	4,435.16	0.00	0.00	0.00
9,900.00	90.61	134.959	5,279.08	-3,284.80	3,127.13	4,535.14	0.00	0.00	0.00
10,000.00	90.61	134.959	5,278.01	-3,355.46	3,197.89	4,635.12	0.00	0.00	0.00



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Project:	Nageezi Unit	MD Reference:	GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
Site:	B02 2309	North Reference:	True
Well:	306H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Drilling		
Design:	APD		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Vertical Section (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)
10,100.00	90.61	134.959	5,276.94	-3,426.11	3,268.64	4,735.10	0.00	0.00	0.00
10,200.00	90.61	134.959	5,275.87	-3,496.77	3,339.40	4,835.08	0.00	0.00	0.00
10,300.00	90.61	134.959	5,274.80	-3,567.43	3,410.16	4,935.06	0.00	0.00	0.00
10,400.00	90.61	134.959	5,273.73	-3,638.08	3,480.91	5,035.04	0.00	0.00	0.00
10,500.00	90.61	134.959	5,272.66	-3,708.74	3,551.67	5,135.02	0.00	0.00	0.00
10,600.00	90.61	134.959	5,271.59	-3,779.39	3,622.43	5,235.00	0.00	0.00	0.00
10,700.00	90.61	134.959	5,270.52	-3,850.05	3,693.19	5,334.98	0.00	0.00	0.00
10,800.00	90.61	134.959	5,269.44	-3,920.71	3,763.94	5,434.96	0.00	0.00	0.00
10,900.00	90.61	134.959	5,268.37	-3,991.36	3,834.70	5,534.93	0.00	0.00	0.00
11,000.00	90.61	134.959	5,267.30	-4,062.02	3,905.46	5,634.91	0.00	0.00	0.00
11,100.00	90.61	134.959	5,266.23	-4,132.67	3,976.21	5,734.89	0.00	0.00	0.00
11,200.00	90.61	134.959	5,265.16	-4,203.33	4,046.97	5,834.87	0.00	0.00	0.00
11,300.00	90.61	134.959	5,264.09	-4,273.99	4,117.73	5,934.85	0.00	0.00	0.00
11,400.00	90.61	134.959	5,263.02	-4,344.64	4,188.49	6,034.83	0.00	0.00	0.00
11,500.00	90.61	134.959	5,261.95	-4,415.30	4,259.24	6,134.81	0.00	0.00	0.00
11,600.00	90.61	134.959	5,260.88	-4,485.96	4,330.00	6,234.79	0.00	0.00	0.00
11,700.00	90.61	134.959	5,259.80	-4,556.61	4,400.76	6,334.77	0.00	0.00	0.00
11,800.00	90.61	134.959	5,258.73	-4,627.27	4,471.51	6,434.75	0.00	0.00	0.00
11,900.00	90.61	134.959	5,257.66	-4,697.92	4,542.27	6,534.73	0.00	0.00	0.00
12,000.00	90.61	134.959	5,256.59	-4,768.58	4,613.03	6,634.71	0.00	0.00	0.00
12,055.18	90.61	134.959	5,256.00	-4,807.57	4,652.07	6,689.88	0.00	0.00	0.00

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
306H Toe - plan hits target center - Circle (radius 100.00)	0.00	0.000	5,256.00	-4,807.57	4,652.07	1,910,293.89	2,750,871.68	36.2499502	-107.7391163
306H Heel - plan hits target center - Circle (radius 50.00)	0.00	0.000	5,324.00	-321.83	159.93	1,914,775.99	2,746,375.90	36.2622739	-107.7543515

Casing Points

Measured Depth (usft)	Vertical Depth (usft)	Name	Casing Diameter (in)	Hole Diameter (in)
350.00	350.00	Surface Casing	8.00	12.25
5,644.10	5,321.61	Intermediate Casing	7.00	8.75



Scientific Drilling, Intl
Planning Report



Database:	Grand Junction	Local Co-ordinate Reference:	Well 306H - Slot 3
Company:	DJR Operating	TVD Reference:	GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
Project:	Nageezi Unit	MD Reference:	GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
Site:	B02 2309	North Reference:	True
Well:	306H	Survey Calculation Method:	Minimum Curvature
Wellbore:	Original Drilling		
Design:	APD		

Formations						
Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)	
864.93	864.00	Ojo Alamo		0.00	0.000	
949.18	948.00	Kirtland		0.00	0.000	
1,262.10	1,260.00	Fruitland		0.00	0.000	
1,605.10	1,602.00	Pictured Cliffs		0.00	0.000	
1,700.38	1,697.00	Lewis		0.00	0.000	
2,391.40	2,386.00	Chacra		0.00	0.000	
3,105.49	3,098.00	Menefee		0.00	0.000	
4,082.35	4,072.00	Point Lookout		0.00	0.000	
4,250.84	4,240.00	Mancos		0.00	0.000	
4,575.79	4,564.00	Mancos Silt		0.00	0.000	
5,100.06	5,062.00	Gallup A		0.00	0.000	
5,153.72	5,104.00	Gallup B		0.00	0.000	
5,336.03	5,223.00	Gallup C		0.00	0.000	



DJR Operating

Nageezi Unit

B02 2309

306H

Original Drilling

APD

Anticollision Report

07 January, 2020



www.scientificdrilling.com



Scientific Drilling, Intl

Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well 306H - Slot 3
Project:	Nageezi Unit	TVD Reference:	GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
Reference Site:	B02 2309	MD Reference:	GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
Site Error:	0.00 usft	North Reference:	True
Reference Well:	306H	Survey Calculation Method:	Minimum Curvature
Well Error:	0.00 usft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Reference	APD		
Filter type:	NO GLOBAL FILTER: Using user defined selection & filtering criteria		
Interpolation Method:	MD Interval 100.00usft	Error Model:	ISCWSA
Depth Range:	Unlimited	Scan Method:	Closest Approach 3D
Results Limited by:	Maximum ellipse separation of 1,000.00 usft	Error Surface:	Pedal Curve
Warning Levels Evaluated at:	2.00 Sigma	Casing Method:	Not applied

Survey Tool Program		Date	1/7/2020		
From (usft)	To (usft)	Survey (Wellbore)	Tool Name	Description	
0.00	12,055.18	APD (Original Drilling)	MWD+IGRF	OWSG MWD + IGRF or WMM	

Summary						
Site Name	Reference Measured Depth (usft)	Offset Measured Depth (usft)	Distance Between Centres (usft)	Distance Between Ellipses (usft)	Separation Factor	Warning
Offset Well - Wellbore - Design						
B02 2309						
305H - Original Drilling - APD	305.56	305.56	19.86	18.08	11.145	CC
305H - Original Drilling - APD	400.00	399.84	19.96	17.51	8.133	ES
305H - Original Drilling - APD	5,345.28	5,337.19	213.72	175.77	5.631	SF
307H - Original Drilling - APD	305.56	305.56	40.18	38.40	22.548	CC
307H - Original Drilling - APD	400.00	399.72	40.27	37.81	16.382	ES
307H - Original Drilling - APD	4,600.00	4,587.38	318.98	284.78	9.325	SF
622H - Original Drilling - APD	400.00	400.00	19.99	17.53	8.128	CC, ES
622H - Original Drilling - APD	12,055.18	12,016.39	599.54	315.01	2.107	SF

Offset Design B02 2309 - 305H - Original Drilling - APD													Offset Site Error:	0.00 usft
Survey Program: 0-MWD+IGRF													Offset Well Error:	0.00 usft
Reference Measured Depth (usft)	Vertical Depth (usft)	Offset Measured Depth (usft)	Vertical Depth (usft)	Reference (usft)	Offset (usft)	Semi Major Axis Toolface (°)	Offset Wellbore Centre +N/-S (usft)	Offset Wellbore Centre +E/-W (usft)	Distance Between Centres (usft)	Distance Between Ellipses (usft)	Minimum Separation (usft)	Separation Factor	Warning	
0.00	0.00	0.00	0.00	0.00	0.00	-156.36	-18.19	-7.96	19.86					
100.00	100.00	100.00	100.00	0.15	0.15	-156.36	-18.19	-7.96	19.86	19.55	0.31	64.423		
200.00	200.00	200.00	200.00	0.51	0.51	-156.36	-18.19	-7.96	19.86	18.84	1.03	19.372		
300.00	300.00	300.00	300.00	0.87	0.87	-156.36	-18.19	-7.96	19.88	18.12	1.74	11.400		
305.56	305.56	305.56	305.56	0.89	0.89	-156.36	-18.19	-7.96	19.86	18.06	1.78	11.145	CC	
400.00	400.00	399.84	399.84	1.23	1.22	-156.48	-18.30	-7.96	19.96	17.51	2.45	8.133	ES	
500.00	499.98	499.08	499.04	1.58	1.56	-100.37	-20.88	-7.94	22.61	19.47	3.14	7.201		
600.00	599.84	597.73	597.50	1.94	1.90	-113.35	-26.85	-7.90	30.14	26.30	3.84	7.854		
700.00	699.55	696.19	695.57	2.31	2.25	-123.41	-35.70	-7.84	42.78	38.24	4.54	9.415		
800.00	799.26	795.13	794.07	2.68	2.63	-128.83	-44.97	-7.77	56.55	51.30	5.26	10.780		
900.00	898.96	894.07	892.58	3.05	3.01	-132.11	-54.24	-7.70	70.62	64.65	5.97	11.825		
1,000.00	998.67	993.01	991.08	3.43	3.39	-134.30	-63.51	-7.63	84.85	78.15	6.69	12.676		
1,100.00	1,098.38	1,091.95	1,089.59	3.81	3.78	-135.86	-72.78	-7.56	99.15	91.74	7.42	13.369		
1,200.00	1,198.09	1,190.89	1,188.09	4.19	4.16	-137.03	-82.05	-7.49	113.52	105.37	8.14	13.940		
1,300.00	1,297.79	1,289.83	1,286.60	4.57	4.55	-137.93	-91.32	-7.42	127.92	119.04	8.87	14.419		
1,400.00	1,397.50	1,388.77	1,385.10	4.96	4.95	-138.65	-100.59	-7.36	142.34	132.74	9.60	14.826		
1,500.00	1,497.21	1,487.71	1,483.61	5.34	5.34	-139.24	-109.86	-7.29	156.78	146.45	10.33	15.175		

CC - Min centre to center distance or convergent point, SF - min separation factor, ES - min ellipse separation



Scientific Drilling, Intl

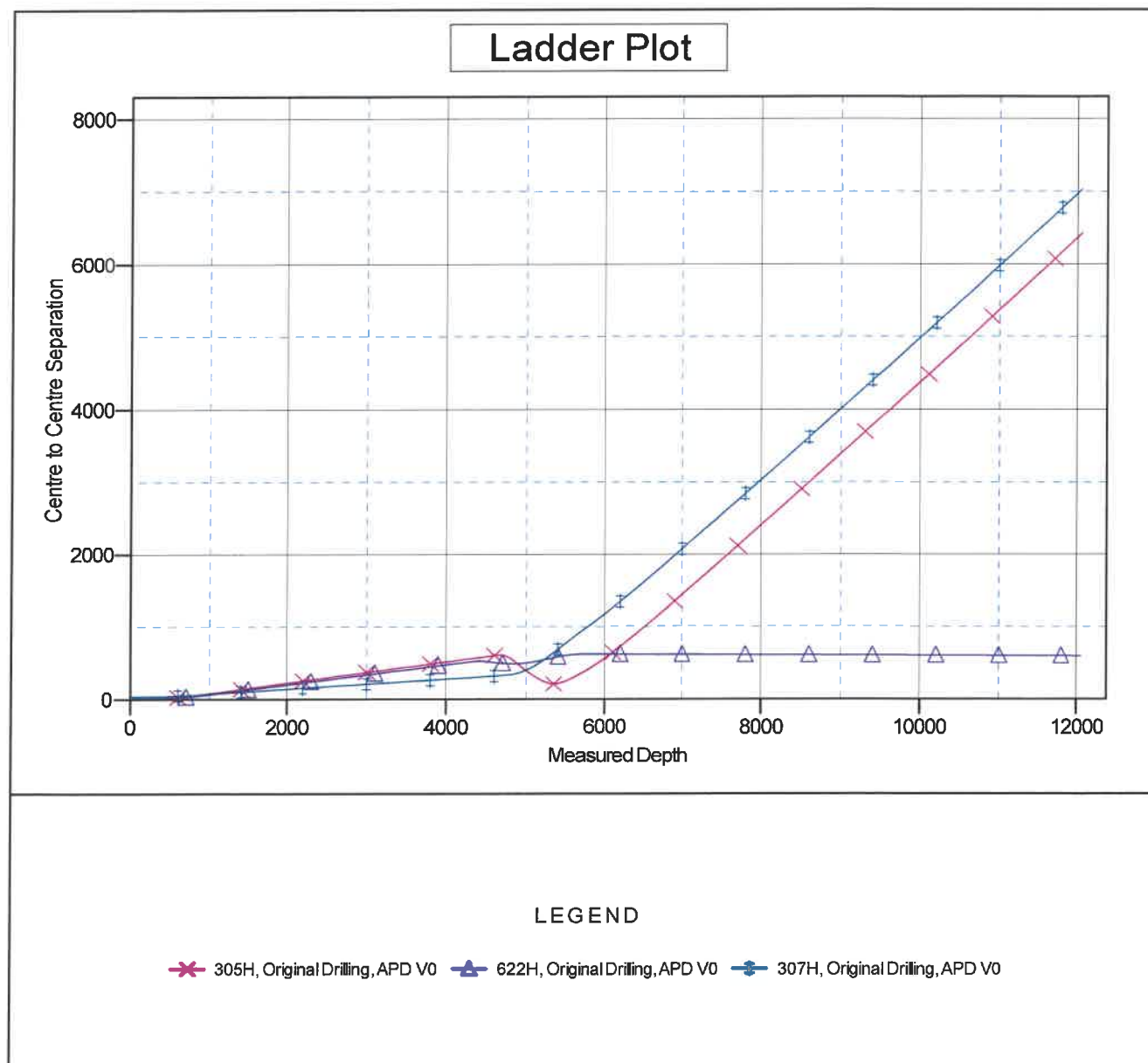
Anticollision Report



Company:	DJR Operating	Local Co-ordinate Reference:	Well 306H - Slot 3
Project:	Nageezi Unit	TVD Reference:	GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
Reference Site:	B02 2309	MD Reference:	GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
Site Error:	0.00 usft	North Reference:	True
Reference Well:	306H	Survey Calculation Method:	Minimum Curvature
Well Error:	0.00 usft	Output errors are at	2.00 sigma
Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Reference Depths are relative to GL 6982' & RKB 14' @ 6996.00usft (A)
 Offset Depths are relative to Offset Datum
 Central Meridian is -107.8333334

Coordinates are relative to: 306H - Slot 3
 Coordinate System is US State Plane 1983, New Mexico Western Zone
 Grid Convergence at Surface is: 0.05°



CC - Min centre to center distance or convergent point, SF - min separation factor, ES - min ellipse separation



Scientific Drilling, Intl
Anticollision Report

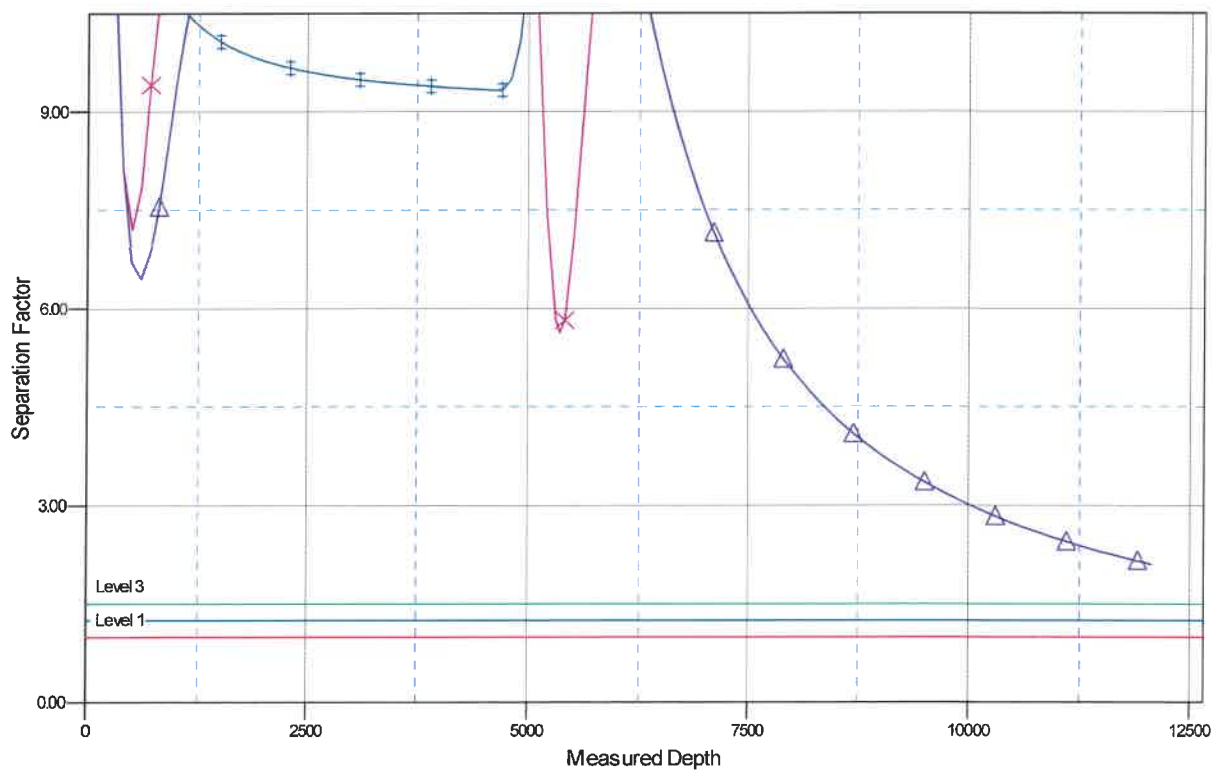


Company:	DJR Operating	Local Co-ordinate Reference:	Well 306H - Slot 3
Project:	Nageezi Unit	TVD Reference:	GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
Reference Site:	B02 2309	MD Reference:	GL 6982' & RKB 14' @ 6996.00usft (Aztec 920)
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Reference Wellbore	Original Drilling	Database:	Grand Junction
Reference Design:	APD	Offset TVD Reference:	Offset Datum

Reference Depths are relative to GL 6982' & RKB 14' @ 6996.00usft (A)
Offset Depths are relative to Offset Datum
Central Meridian is -107.8333334

Coordinates are relative to: 306H - Slot 3
Coordinate System is US State Plane 1983, New Mexico Western Zone
Grid Convergence at Surface is: 0.05°

Separation Factor Plot



LEGEND

✕ 305H, Original Drilling, APD V0 ▲ 622H, Original Drilling, APD V0 + 307H, Original Drilling, APD V0

CC - Min centre to center distance or convergent point, SF - min separation factor, ES - min ellipse separation

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit Original
to Appropriate
District Office

GAS CAPTURE PLAN

Date: 2/4/2020

☒ Original

Operator & OGRID No.: DJR Operating LLC. ; 371838

☐ Amended - Reason for Amendment: _____

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomple to new zone, re-frac) activity.

Note: Form C-129 must be submitted and approved prior to exceeding 60 days allowed by Rule (Subsection A of 19.15.18.12 NMAC).

Well(s)/Production Facility – Name of facility

The well(s) that will be located at the production facility are shown in the table below.

Well Name	API	Well Location (ULSTR)	Footages	Expected MCF/D	Flared or Vented	Comments
Nageezi Unit 305H	Pending	NWNE, Section 2, T23N, R9W	93' FNL, 1503' FEL	975	Flared	
Nageezi Unit 306H	Pending	NWNE, Section 2, T23N, R9W	75' FNL, 1494' FEL	650	Flared	
Nageezi Unit 307H	Pending	NWNE, Section 2, T23N, R9W	38' FNL, 1476' FEL	850	Flared	
Nageezi Unit 622H	Pending	NWNE, Section 2, T23N, R9W	57' FNL, 1485' FEL	644	Flared	

Gathering System and Pipeline Notification

Well(s) will be connected to a production facility after flowback operations are complete, if gas transporter system is in place. The gas produced from production facility is dedicated to Enterprise Field Services, LLC (Enterprise) and will be connected to Enterprise's low/high pressure gathering system located in San Juan County, New Mexico. It will require approximately 11,322' of pipeline to connect the facility to DJR Operating LLC. low/high pressure Escrito Trunk in Sec. 3, T23N, R9W which ties into Enterprise's existing pipeline in Section 12, T24N, R10W. DJR Operating LLC. provides (periodically) to Enterprise a drilling, completion and estimated first production date for wells that are scheduled to be drilled in the foreseeable future. In addition, DJR Operating LLC. and Enterprise have periodic conference calls to discuss changes to drilling and completion schedules. Gas from these wells will be processed at the Chaco Processing Plant located in Sec. 16, Twn 26N, Rng 12W, San Juan County, New Mexico. The actual flow of the gas will be based on compression operating parameters and gathering system pressures.

Flowback Strategy

After the fracture treatment/completion operations, well(s) will be produced to temporary production tanks and gas will be flared or vented. During flowback, the fluids and sand content will be monitored. When the produced fluids contain minimal sand, the wells will be turned to production facilities. Gas sales should start as soon as the wells start flowing through the production facilities, unless there are operational issues on Enterprise system at that time. Based on current information, it is DJR Operating LLC.'s belief the system can take this gas upon completion of the well(s).

Safety requirements during cleanout operations from the use of underbalanced air cleanout systems may necessitate that sand and non-pipeline quality gas be vented and/or flared rather than sold on a temporary basis.

Alternatives to Reduce Flaring

Below are alternatives considered from a conceptual standpoint to reduce the amount of gas flared.

- Power Generation – On lease
 - Only a portion of gas is consumed operating the generator, remainder of gas will be flared
- Compressed Natural Gas – On lease
 - Gas flared would be minimal, but might be uneconomical to operate when gas volume declines
- NGL Removal – On lease
 - Plants are expensive, residue gas is still flared, and uneconomical to operate when gas volume declines

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 15728

COMMENTS

Operator:	DJR OPERATING, LLC	1 Road 3263	Aztec, NM87410	OGRID:	371838	Action Number:	15728	Action Type:	FORM 3160-3
Created By	Comment						Comment Date		
ahvermersch	See attached letter for OCD COA's						01/26/2021		

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
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District IV
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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 15728

CONDITIONS OF APPROVAL

Operator:	DJR OPERATING, LLC	1 Road 3263	Aztec, NM87410	OGRID:	371838	Action Number:	15728	Action Type:	FORM 3160-3
OCD Reviewer									Condition
ahvermersch									None