

**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: 2/6/2020

Operator: DJR Well Name and Number: Nageezi Unit 608H

API#: 30-045-38191 , **Section:** 33, **Township:** 24N, **Range:** 9 W

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

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

X 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

X 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

X 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.

X 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

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

X 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.

X 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

12/4/2020
Date

Form 3160-3
(June 2015)NMOCD REC'D
12/1/20FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | | |
|--|--|---|---|
| 1a. Type of work: | <input checked="" type="checkbox"/> DRILL | <input type="checkbox"/> REENTER | 7. If Unit or CA Agreement, Name and No. NMNM 132981A |
| 1b. Type of Well: | <input checked="" type="checkbox"/> Oil Well | <input type="checkbox"/> Gas Well | 8. Lease Name and Well No. NAGEEZI UNIT |
| 1c. Type of Completion: | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Single Zone | <input checked="" type="checkbox"/> Multiple Zone |
| 2. Name of Operator DJR OPERATING LLC | | | 9. API Well No. 30-045-38191 |
| 3a. Address 1700 LINCOLN STREET, SUITE 2800, DENVER, CO 802 | 3b. Phone No. (include area code) (505) 632-3476 | | 10. Field and Pool, or Exploratory BASIN MANCOS Nageezi Unit Mancos |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SENE / 1354 FNL / 544 FEL / LAT 36.274101 / LONG -107.7872 At proposed prod. zone NENE / 1091 FNL / 837 FEL / LAT 36.260254 / LONG -107.770245 | 11. Sec., T. R. M. or Blk. and Survey or Area SEC 33/T24N/R9W/NMP | | |
| 14. Distance in miles and direction from nearest town or post office* 35 miles | 12. County or Parish SAN JUAN | | 13. State NM |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 552 feet | 16. No of acres in lease 2240 | 17. Spacing Unit dedicated to this well 321.65 | |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1104 feet | 19. Proposed Depth 5130 feet / 11663 feet | 20. BLM/BIA Bond No. in file FED: NMB001464 | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6876 feet | 22. Approximate date work will start* 07/06/2020 | 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. | |
| 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). | 5. Operator certification. 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 02/06/2020 |
| Title Regulatory Specialist | | |
| Approved by (Signature) (Electronic Submission) | Name (Printed/Typed) RICHARD FIELDS / Ph: (505) 564-7612 | Date 11/20/2020 |
| 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)

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 Bravos Rd., Artesia, NM 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) 476-3462

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

| ¹ API Number 30-045-38191 | | ² Pool Code 98080 | ³ Pool Name NAGEEZI UNIT MANCOS OIL POOL | |
|---|--|---------------------------------|--|--|
| ⁴ Property Code 325268 | ⁵ Property Name NAGEEZI UNIT | | ⁶ Well Number 608H | |
| ⁷ OGRID No. 371838 | ⁸ Operator Name DJR OPERATING, LLC | | ⁹ Elevation 6876' | |

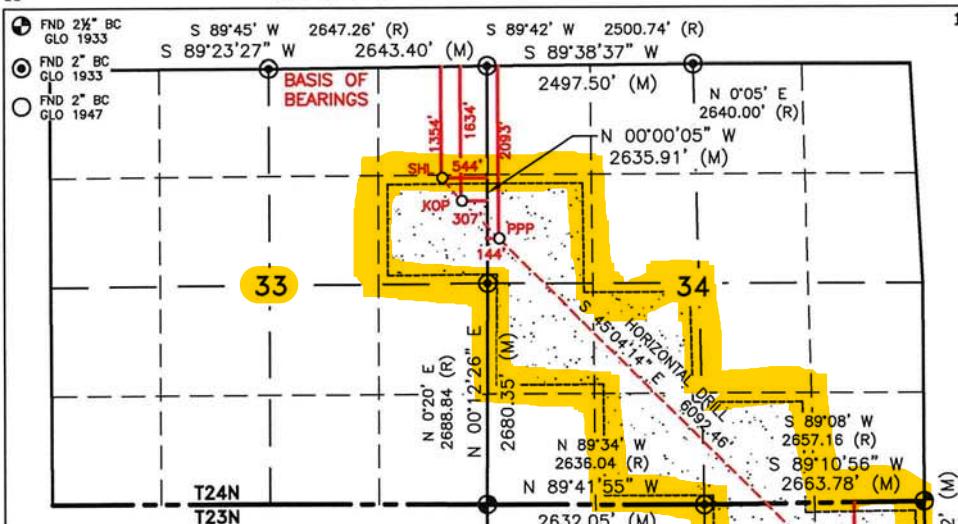
¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the 1354' | North/South line | Feet from the 544' | East/West line | County |
|---------------|---------|----------|-------|---------|------------------------|------------------|-----------------------|----------------|----------|
| H | 33 | 24N | 9W | | | NORTH | | EAST | SAN JUAN |

¹¹ Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the 1091' | North/South line | Feet from the 837' | East/West line | County | |
|---|-------------------------------|----------|-------|---------|------------------------|---|-----------------------|----------------|----------|--|
| A | 3 | 23N | 9W | 1 | | NORTH | | EAST | SAN JUAN | |
| ¹² Dedicated Acres SEC 33: SE/NE (40 AC); SEC 34: SW/NW, NW/SW, NE/SW, SE/SW, & SW/SE (200 AC.); SEC 3: NW/NE & NE/NE (81.65 AC.) = 321.65 ACRES TOTAL | ¹³ Joint or Infill | | | | | ¹⁴ Consolidation Code | | | | |
| | | | | | | ¹⁵ Order No. R-13856 R-13856A | | | | |

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



SHL
LAT. 36.274101° N (NAD83)
LONG. 107.787200° W (NAD83)

KOP
LAT. 36.273332° N (NAD83)
LONG. 107.786396° W (NAD83)

PPP
LAT. 36.272081° N (NAD83)
LONG. 107.784869° W (NAD83)

EXIT/BHL
LAT. 36.260254° N (NAD83)
LONG. 107.770245° W (NAD83)

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 2/7/20
Signature Date

Shaw-Marie Ford

Printed Name

sford@djrlc.com

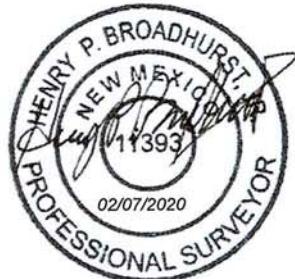
E-mail Address

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.

AUGUST 15, 2019

Date of Survey
Signature and Seal of Professional Surveyor:



Certificate Number 11393

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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

AMENDED REPORT

DJR OPERATING, LLC
NAGEEZI UNIT #608H

N/4 CORNER SEC 33
LAT. 36.277755° N (NAD83)
LONG. 107.794321° W (NAD83)

NE CORNER SEC 33
LAT. 36.277829° N (NAD83)
LONG. 107.785353° W (NAD83)

N/4 CORNER SEC 34
LAT. 36.277868° N (NAD83)
LONG. 107.776880° W (NAD83)

E/4 CORNER SEC 33
LAT. 36.270588° N (NAD83)
LONG. 107.785358° W (NAD83)

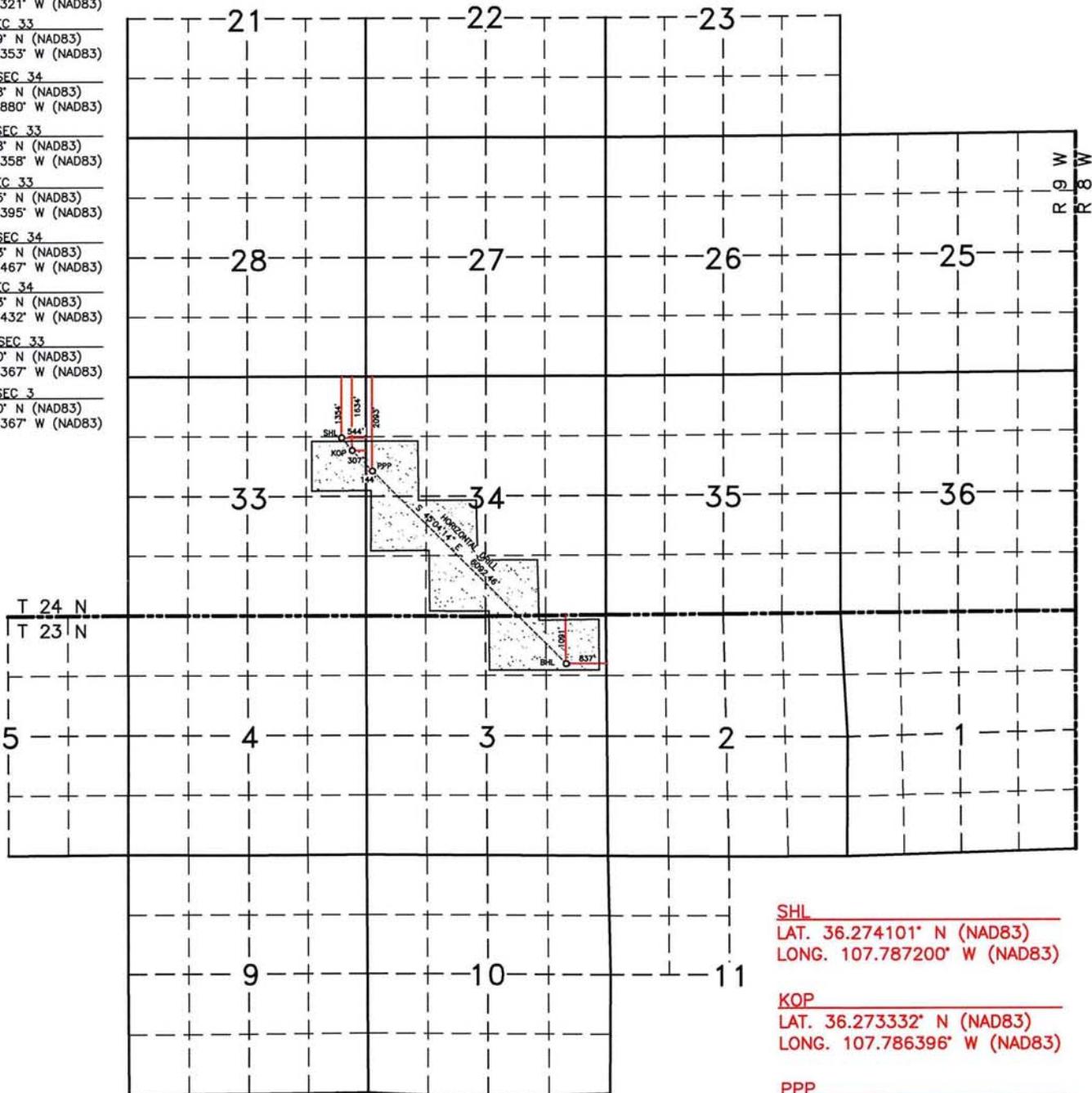
SE CORNER SEC 33
LAT. 36.263225° N (NAD83)
LONG. 107.785395° W (NAD83)

S/4 CORNER SEC 34
LAT. 36.263183° N (NAD83)
LONG. 107.776467° W (NAD83)

SE CORNER SEC 34
LAT. 36.263283° N (NAD83)
LONG. 107.767432° W (NAD83)

W/4 CORNER SEC 33
LAT. 36.255940° N (NAD83)
LONG. 107.767367° W (NAD83)

E/4 CORNER SEC 3
LAT. 36.255940° N (NAD83)
LONG. 107.767367° W (NAD83)



PENETRATED SPACING UNIT;
SEC 33: SE/NE (40 AC.); SEC 34: SW/NW, NW/SW,
NE/SW, SE/SW, & SW/SE (200 AC.);
SEC 3: NW/NE & NE/NE (81.65 AC.) =
321.65 ACRES TOTAL

TOTAL 10,415.12 ACRES: T24N R9W, SEC. 21-23 (S/2), 25-28, 33-36,
1-4, 9-10 (ALL); T23N R9W, SEC. 5 (W/2), 11 (NW/4) - UNDIVIDED UNIT

SHL
LAT. 36.274101° N (NAD83)
LONG. 107.787200° W (NAD83)

KOP
LAT. 36.273332° N (NAD83)
LONG. 107.786396° W (NAD83)

PPP
LAT. 36.272081° N (NAD83)
LONG. 107.784869° W (NAD83)

EXIT/BHL
LAT. 36.260254° N (NAD83)
LONG. 107.770245° W (NAD83)

Rev 1



DRILLING PLAN Nageezi Unit 608H San Juan County, New Mexico

Surface Location

544-ft FEL & 1354-ft FNL
Sec 33 T24N R09W
Graded Elevation 6877' MSL
RKB Elevation 6891' (14' KB)

SHL Geographical Coordinates (NAD-83)

Latitude 36.2741010° N
Longitude 107.7872000° W

Kick Off Point for Horizontal Build Curve

4621-ft MD
4605-ft TVD

Local Coordinates (from SHL)

280-ft South
237-ft East

Heel Location (Pay zone entry)

144-ft FWL & 2093-ft FNL
Sec 34 T24N R9W

Heel Geographical Coordinates (NAD-83)

Latitude 36.2720808° N
Longitude 107.78486850° W

Bottom Hole Location (TD)

837-ft FEL & 1091-ft FNL
Sec 3 T23N R9W

BHL Geographical Coordinates (NAD-83)

Latitude 36.2602541° N
Longitude 107.7702451° W

Well objectives

This well is planned as a 6090-ft lateral in the Gallup C R3 sand.

Bottom Hole temperature and pressure

The temperature in the Gallup C R3 horizontal objective is 139°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 | 707 | 706 | Sd | W | 8.3 | 8.4 – 8.8 |
| Kirtland | 860 | 859 | Sh | - | 8.3 | 8.4 – 8.8 |
| Fruitland | 1151 | 1149 | C | G | 8.3 | 9.0 - 9.5 |
| Pictured Cliffs | 1499 | 1495 | Sd | W | 8.3 | 9.0 - 9.5 |
| Lewis | 1596 | 1592 | Sh | - | | 9.0 - 9.5 |
| Chacra | 2242 | 2235 | Sd | - | 8.3 | 9.0 - 9.5 |
| Menefee | 2994 | 2984 | Sd, C | G | 8.3 | 9.0 - 9.5 |
| Point Lookout | 3952 | 3938 | Sd | - | 8.3 | 9.0 - 9.5 |
| Mancos | 4127 | 4113 | Sh | - | | 9.0 - 9.5 |
| Mancos Silt | 4447 | 4431 | Slt | O/G | 6.6 | 9.0 - 9.5 |
| Gallup A | 4969 | 4926 | Slt | O/G | 6.6 | 9.0 - 9.5 |
| Gallup B | 5019 | 4965 | Sd | O/G | 6.6 | 8.8 - 9.0 |
| Gallup C | 5214 | 5091 | Sd | O/G | 6.6 | 8.8 - 9.0 |
| Target | 5570 | 5185 | 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 | 5509 | surf | 5183 | surface |
| 4-1/2" | 6-1/8" | 11.6 | P-110 | BTC | 5231 | 11663 | 5100 | 5130 | 5231 |

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

| | | Design Factors | | | |
|------------------|-----------|----------------|----------|-------|----------|
| Casing string | Casing OD | 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

| | <u>Lead</u> |
|--------------------|-------------|
| 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

| | <u>Lead</u> | <u>Tail</u> |
|--------------------|-------------|-------------|
| Type | BJ Services | BJ Services |
| Planned top | III | Poz/G |
| Density (ppg) | Surface | 4121-ft |
| Yield (cf/sx) | 12.30 | 13.50 |
| Mix water (gal/sx) | 2.34 | 1.50 |
| Volume (sx) | 13.26 | 7.20 |
| Volume (bbls) | 413 | 229 |
| Volume (cu.ft.) | 172 | 61 |
| Excess % | 966 | 343 |
| | 50 | 50 |

Rev 1

4-1/2" Production Liner

| | |
|--------------------|-------------|
| Type | BJ Services |
| Planned top | Poz/G |
| Density (ppg) | 5231-ft |
| Yield (cf/sx) | 13.3 |
| Mix water (gal/sx) | 1.56 |
| Volume (sx) | 7.71 |
| Volume (bbls) | 540 |
| Volume (cu.ft) | 150 |
| Excess % | 844 |
| | 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 – 5509 | 9.0 – 9.5 | 38 – 45 | 8 – 14 | <20 |
| | | | | | | |
| Production | Low solids, non-dispersed | 5509 – 11663 | 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.

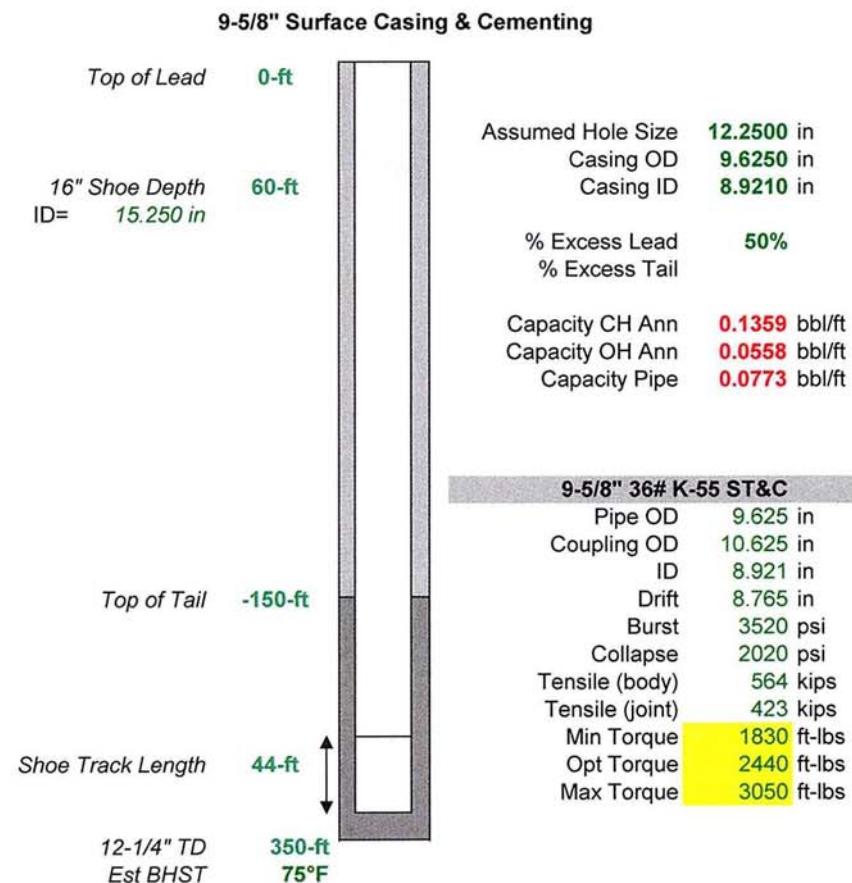
Electric logging: No open hole electric logs are programmed. A cased hole GR/CCL will be run during completions for perforating depth control.

✓ **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.



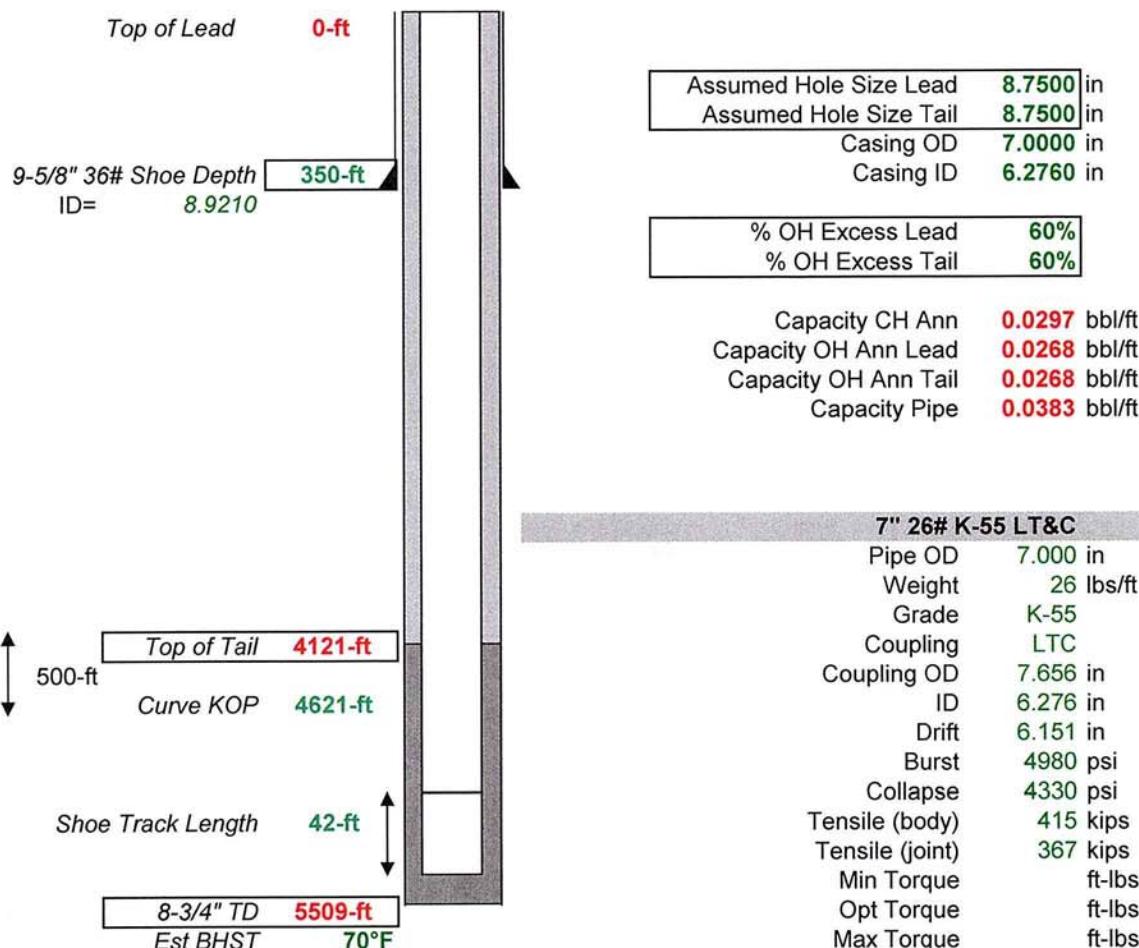
| Lead Slurry | | Properties | |
|--------------------|---------|----------------------|-------------|
| Redi Mix Type I/i | | Density | 14.50 ppg |
| 20% Fly Ash | | Yield | 1.61 cf/sk |
| | | Total Mix Fluid | 7.41 gal/sk |
| | | Est pump time (70Bc) | NA |
| | | 8-hr compressive | 475 psi |
| | |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

Casing Jewelry and Pump Schedule

Run guide shoe, 1 joint, then float collar. Centralize with 1 one bow spring per joint for the first 500-ft, then 1 every third joint to surface. Bottom centralizer to be 10-ft above guide shoe with stop collar above, thereafter around the coupling. Thread lock guide shoe, shoe track and float collar.

Pump schedule: 40 bbls fresh water, drop bottom plug, lead, tail, top plug, displace with water. Land wellhead housing on u-plate.

**7" Intermediate Casing & Cementing
Nageezi Unit 608H**

**BJ Lead Slurry**

| | |
|----------|----------|
| Type III | |
| BA-90 | 5 lb/sx% |
| KCI | 3.00% |
| GW-86 | 0.10% |
| FL-66 | 0.20% |
| R-3 | 0.50% |
| FP-25 | 0.30% |

Properties

| | |
|-----------------------|--------------|
| Density | 12.30 ppg |
| Yield | 2.3404 cf/sk |
| Total Mix Fluid | 13.26 gal/sk |
| Thickening Time | 3:11 hr:min |
| Time to 50 psi (80°F) | 5:10 hr:min |
| 24-hr UCA (80°F) | 659 psi |

BJ Tail Slurry

| | |
|----------|---------|
| G+Pozz | 50:50 |
| BA-90 | 3 lb/sx |
| FL-66 | 0.40% |
| FP-25 | 0.30% |
| Sod. Met | 0.50% |
| Gyp | 3.00% |

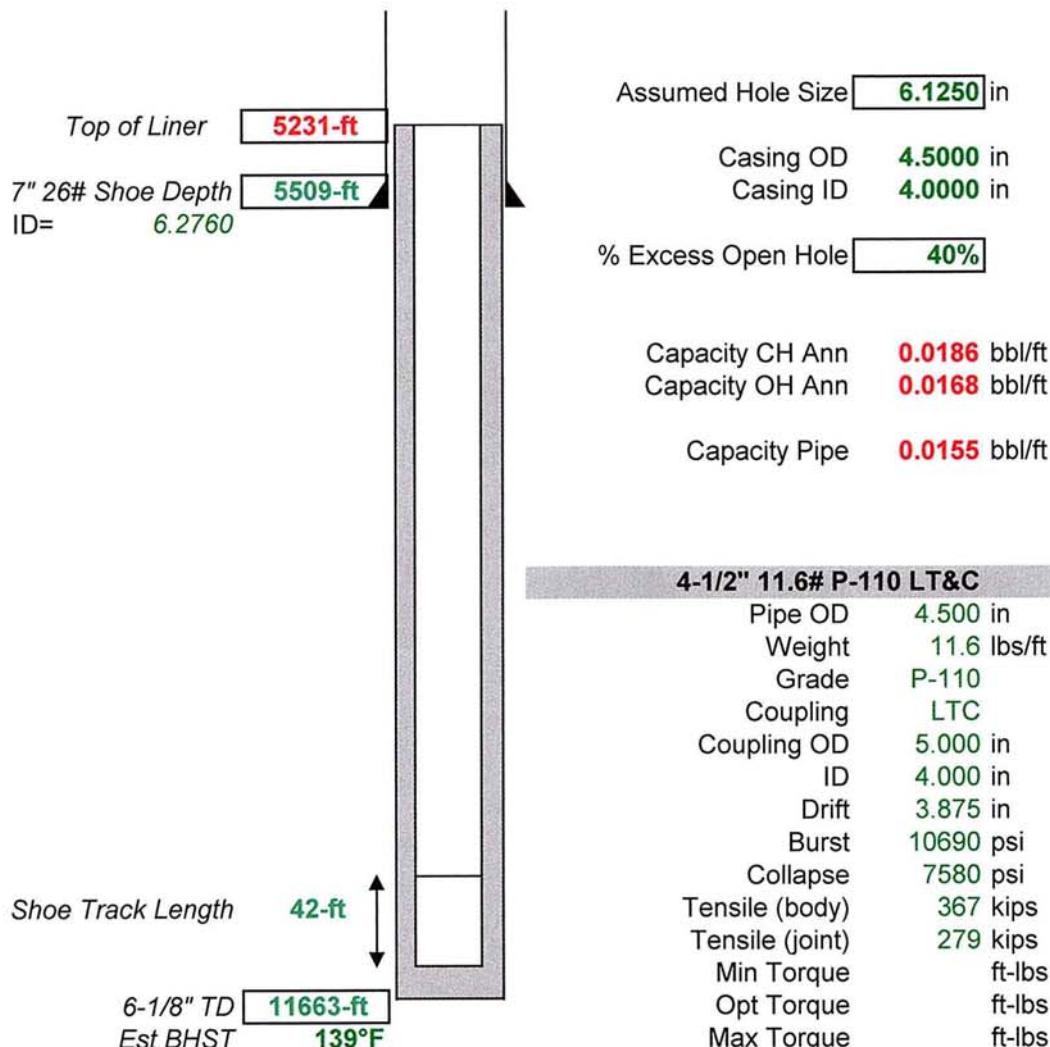
Properties

| | |
|-------------------------|--------------|
| Density | 13.50 ppg |
| Yield | 1.4946 cf/sk |
| Total Mix Fluid | 7.24 gal/sk |
| Thickening Time | 3:26 hr:min |
| Time to 50 psi (135°F) | 2:55 hr:min |
| Time to 500 psi (135°F) | 6:40 hr:min |

Volumes

| | | |
|---------------------|----------|--------|
| Lead Volume | 172 bbls | 413 sx |
| Tail Volume | 61 bbls | 229 sx |
| Approx Displacement | 209 bbls | |
| Total Volume | 442 bbls | |

**4-1/2" Liner Cementing
Nageezi Unit 608H**



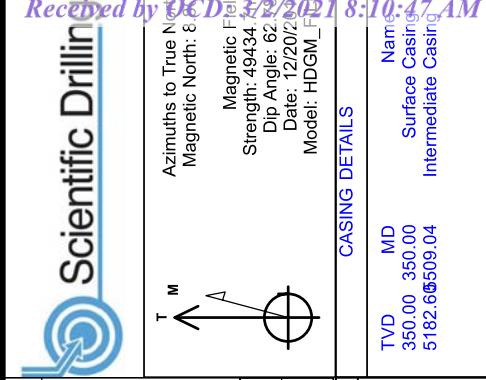
| BJ Lead Slurry | | Properties | |
|-----------------------|-----------------|------------------------|---------------------|
| G+Pozz | 50:50 | Density | 13.30 ppg |
| BA-90 | 3 lb/sx | Yield | 1.5629 cf/sk |
| GW-86 | 0.10% | Total Mix Fluid | 7.70 gal/sk |
| R-3 | 0.40% | Thickening Time | 6:04 hr:min |
| FP-25 | 30.00% | Time to 50 psi (147°F) | 7:15 hr:min |
| FL-24 | 0.40% | 24-hr UCA (147°F) | 1293 psi |
| Gel | 4.00% | | |
| Volumes | | | |
| Lead Volume | 150 bbls | 540 sx | |
| Approx Displacement | 126 bbls | | |
| Total Volume | 276 bbls | | |

DJR Operating

Company: DJR Operating
 Project: Nageezi Unit
 Site: H33 2409
 Well: 608H
 Wellbore: Original Drilling
 Design: APD

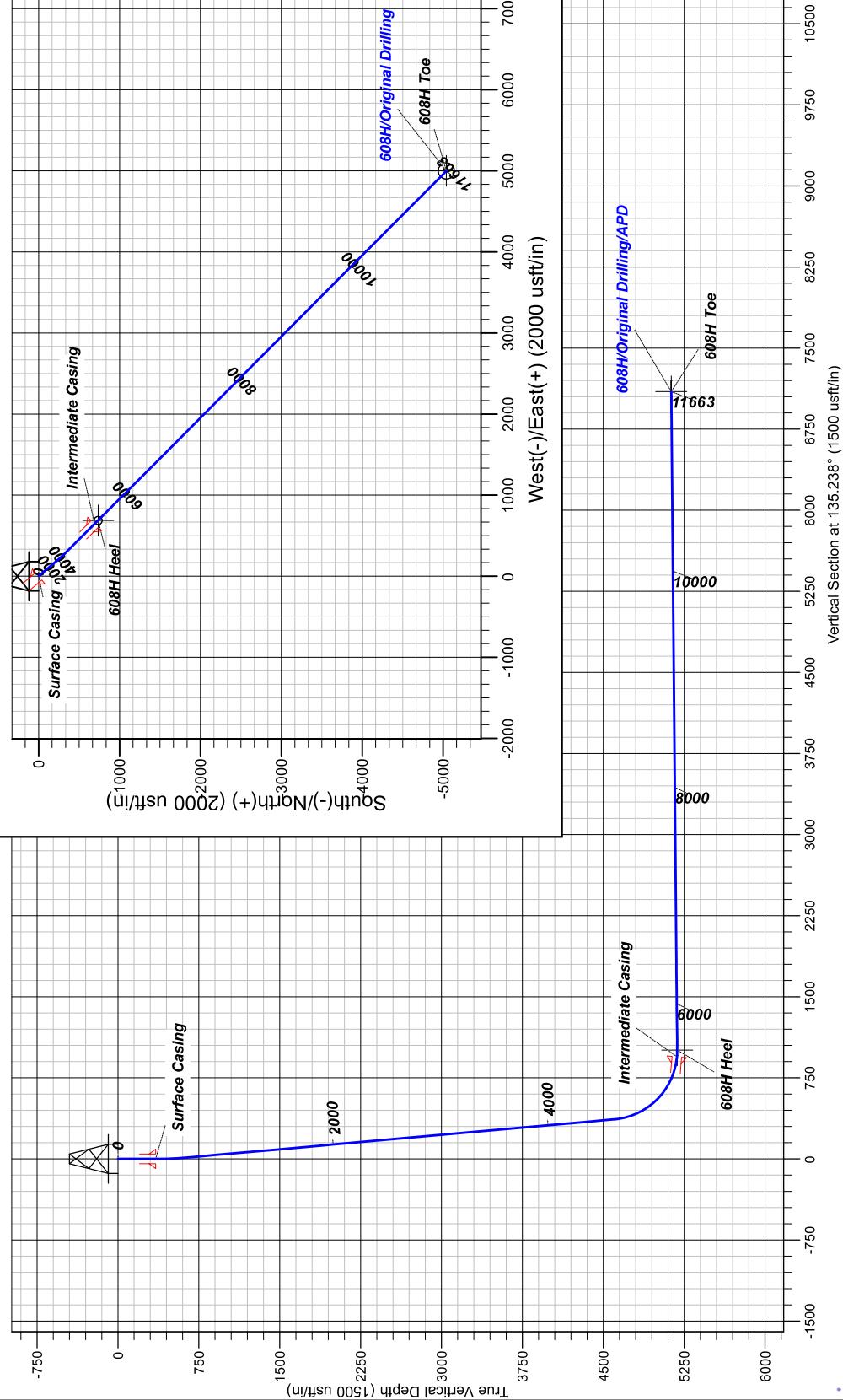
PROJECT DETAILS: Nageezi Unit

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: 608H

| GL 6877 & RKB 14' @ 6391.00usft (Aztec, 920) | | | |
|--|----------|---------------------------------|--------------------------------|
| +N/-S | +E/-W | Latitude | Longitude |
| 0.00 | 0.00 | 36.2741010 | -107.7872000 |
| DESIGN TARGET DETAILS | | | |
| Name | TVD | Latitude | Longitude |
| 608H Heel | 5195.00 | +N/-S Northing 1919075.08 | +E/-W Easting 2736689.95 |
| 608H Toe | 5130.00 | -735.39 -5040.16 | 687.25 4986.51 |
| SECTION DETAILS | | | |
| | MD | Azimuth | Inclination |
| 608H Heel | 375.00 | 0.00 | 0.00 |
| 608H Toe | 11663.05 | 90.52 | 134.957 |
| CASING DETAILS | | | |
| | TVD | MD | Nam |
| Surface Casing | 375.00 | 350.00 | Surface Casing |
| Intermediate Casing | 5182.65 | 5099.04 | Intermediate Casing |





DJR Operating

Nageezi Unit
H33 2409
608H - Slot 2

Original Drilling

Plan: APD

Standard Planning Report

07 January, 2020



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Planning Report



Scientific Drilling

| | | | |
|------------------|-------------------|-------------------------------------|--|
| Database: | Grand Junction | Local Co-ordinate Reference: | Well 608H - Slot 2 |
| Company: | DJR Operating | TVD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Project: | Nageezi Unit | MD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Site: | H33 2409 | North Reference: | True |
| Well: | 608H | 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 | H33 2409 | | | | |
| Site Position: | | Northing: | 1,919,065.61 usft | Latitude: | 36.2740750 |
| From: | Lat/Long | Easting: | 2,736,671.38 usft | Longitude: | -107.7872630 |
| Position Uncertainty: | 0.00 usft | Slot Radius: | 13.20 in | Grid Convergence: | 0.03 ° |

| | | | | | |
|-----------------------------|----------------|-------------------------|-------------------------------------|--|---------------------------------------|
| Well | 608H - Slot 2 | | | | |
| Well Position | +N/-S +E/-W | 9.46 usft 18.57 usft | Northing: Easting: | 1,919,075.08 usft 2,736,689.95 usft | Latitude: Longitude: |
| Position Uncertainty | | 0.00 usft | Wellhead Elevation: | | Ground Level: |
| | | | | | 6,877.00 usft |

| | | | | | |
|------------------|-------------------|--------------------|---------------------------|-------------------------|-------------------------------|
| Wellbore | Original Drilling | | | | |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
| | HDGM_FILE | 12/20/2019 | 8.80 | 62.78 | 49,434.7000000 |

| | | | | | |
|--------------------------|-----|-----------------------------------|-----------------------|-----------------------|-------------------------|
| 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 | 135.238 |

| 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 | 0.00 |
| 375.00 | 0.00 | 0.000 | 375.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 630.87 | 5.12 | 139.712 | 630.53 | -8.71 | 7.38 | 2.00 | 2.00 | 0.00 | 139.71 | |
| 4,621.26 | 5.12 | 139.712 | 4,605.01 | -280.22 | 237.54 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 5,570.34 | 90.52 | 134.957 | 5,185.00 | -735.39 | 687.25 | 9.00 | 9.00 | -0.50 | -4.77 | 608H Heel |
| 11,663.05 | 90.52 | 134.957 | 5,130.00 | -5,040.16 | 4,998.51 | 0.00 | 0.00 | 0.00 | 0.00 | 608H Toe |



Scientific Drilling, Intl

Planning Report



| | | | |
|------------------|-------------------|-------------------------------------|--|
| Database: | Grand Junction | Local Co-ordinate Reference: | Well 608H - Slot 2 |
| Company: | DJR Operating | TVD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Project: | Nageezi Unit | MD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Site: | H33 2409 | North Reference: | True |
| Well: | 608H | 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 | 0.00 |
| 100.00 | 0.00 | 0.000 | 100.00 | 0.00 | 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 | 0.00 |
| 300.00 | 0.00 | 0.000 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 375.00 | 0.00 | 0.000 | 375.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 400.00 | 0.50 | 139.712 | 400.00 | -0.08 | 0.07 | 0.11 | 2.00 | 2.00 | 0.00 | 0.00 |
| 500.00 | 2.50 | 139.712 | 499.96 | -2.08 | 1.76 | 2.72 | 2.00 | 2.00 | 0.00 | 0.00 |
| 600.00 | 4.50 | 139.712 | 599.77 | -6.74 | 5.71 | 8.80 | 2.00 | 2.00 | 0.00 | 0.00 |
| 630.87 | 5.12 | 139.712 | 630.53 | -8.71 | 7.38 | 11.38 | 2.00 | 2.00 | 0.00 | 0.00 |
| 700.00 | 5.12 | 139.712 | 699.38 | -13.41 | 11.37 | 17.53 | 0.00 | 0.00 | 0.00 | 0.00 |
| 800.00 | 5.12 | 139.712 | 798.99 | -20.22 | 17.14 | 26.42 | 0.00 | 0.00 | 0.00 | 0.00 |
| 900.00 | 5.12 | 139.712 | 898.59 | -27.02 | 22.91 | 35.32 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,000.00 | 5.12 | 139.712 | 998.19 | -33.83 | 28.67 | 44.21 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,100.00 | 5.12 | 139.712 | 1,097.79 | -40.63 | 34.44 | 53.10 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,200.00 | 5.12 | 139.712 | 1,197.39 | -47.43 | 40.21 | 61.99 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,300.00 | 5.12 | 139.712 | 1,296.99 | -54.24 | 45.98 | 70.89 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,400.00 | 5.12 | 139.712 | 1,396.59 | -61.04 | 51.75 | 79.78 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,500.00 | 5.12 | 139.712 | 1,496.20 | -67.85 | 57.51 | 88.67 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,600.00 | 5.12 | 139.712 | 1,595.80 | -74.65 | 63.28 | 97.56 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,700.00 | 5.12 | 139.712 | 1,695.40 | -81.45 | 69.05 | 106.46 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,800.00 | 5.12 | 139.712 | 1,795.00 | -88.26 | 74.82 | 115.35 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,900.00 | 5.12 | 139.712 | 1,894.60 | -95.06 | 80.58 | 124.24 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,000.00 | 5.12 | 139.712 | 1,994.20 | -101.87 | 86.35 | 133.13 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,100.00 | 5.12 | 139.712 | 2,093.80 | -108.67 | 92.12 | 142.03 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,200.00 | 5.12 | 139.712 | 2,193.41 | -115.47 | 97.89 | 150.92 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,300.00 | 5.12 | 139.712 | 2,293.01 | -122.28 | 103.66 | 159.81 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,400.00 | 5.12 | 139.712 | 2,392.61 | -129.08 | 109.42 | 168.70 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,500.00 | 5.12 | 139.712 | 2,492.21 | -135.89 | 115.19 | 177.60 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,600.00 | 5.12 | 139.712 | 2,591.81 | -142.69 | 120.96 | 186.49 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,700.00 | 5.12 | 139.712 | 2,691.41 | -149.49 | 126.73 | 195.38 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,800.00 | 5.12 | 139.712 | 2,791.01 | -156.30 | 132.49 | 204.28 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,900.00 | 5.12 | 139.712 | 2,890.62 | -163.10 | 138.26 | 213.17 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,000.00 | 5.12 | 139.712 | 2,990.22 | -169.91 | 144.03 | 222.06 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,100.00 | 5.12 | 139.712 | 3,089.82 | -176.71 | 149.80 | 230.95 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,200.00 | 5.12 | 139.712 | 3,189.42 | -183.51 | 155.57 | 239.85 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,300.00 | 5.12 | 139.712 | 3,289.02 | -190.32 | 161.33 | 248.74 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,400.00 | 5.12 | 139.712 | 3,388.62 | -197.12 | 167.10 | 257.63 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,500.00 | 5.12 | 139.712 | 3,488.22 | -203.93 | 172.87 | 266.52 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,600.00 | 5.12 | 139.712 | 3,587.83 | -210.73 | 178.64 | 275.42 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,700.00 | 5.12 | 139.712 | 3,687.43 | -217.53 | 184.40 | 284.31 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,800.00 | 5.12 | 139.712 | 3,787.03 | -224.34 | 190.17 | 293.20 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3,900.00 | 5.12 | 139.712 | 3,886.63 | -231.14 | 195.94 | 302.09 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,000.00 | 5.12 | 139.712 | 3,986.23 | -237.95 | 201.71 | 310.99 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,100.00 | 5.12 | 139.712 | 4,085.83 | -244.75 | 207.48 | 319.88 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,200.00 | 5.12 | 139.712 | 4,185.43 | -251.55 | 213.24 | 328.77 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,300.00 | 5.12 | 139.712 | 4,285.03 | -258.36 | 219.01 | 337.66 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,400.00 | 5.12 | 139.712 | 4,384.64 | -265.16 | 224.78 | 346.56 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,500.00 | 5.12 | 139.712 | 4,484.24 | -271.97 | 230.55 | 355.45 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,600.00 | 5.12 | 139.712 | 4,583.84 | -278.77 | 236.31 | 364.34 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,621.26 | 5.12 | 139.712 | 4,605.01 | -280.22 | 237.54 | 366.23 | 0.00 | 0.00 | 0.00 | 0.00 |
| 4,700.00 | 12.19 | 136.928 | 4,682.81 | -288.98 | 245.50 | 378.06 | 9.00 | 8.99 | -3.54 | |
| 4,800.00 | 21.19 | 136.057 | 4,778.50 | -309.75 | 265.30 | 406.75 | 9.00 | 9.00 | -0.87 | |



Scientific Drilling, Intl

Planning Report



| | | | |
|------------------|-------------------|-------------------------------------|--|
| Database: | Grand Junction | Local Co-ordinate Reference: | Well 608H - Slot 2 |
| Company: | DJR Operating | TVD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Project: | Nageezi Unit | MD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Site: | H33 2409 | North Reference: | True |
| Well: | 608H | 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) | |
| 4,900.00 | 30.19 | 135.691 | 4,868.52 | -340.82 | 295.46 | 450.05 | 9.00 | 9.00 | -0.37 | |
| 5,000.00 | 39.19 | 135.482 | 4,950.66 | -381.42 | 335.26 | 506.90 | 9.00 | 9.00 | -0.21 | |
| 5,100.00 | 48.19 | 135.341 | 5,022.90 | -430.56 | 383.70 | 575.90 | 9.00 | 9.00 | -0.14 | |
| 5,200.00 | 57.19 | 135.235 | 5,083.45 | -487.02 | 439.61 | 655.36 | 9.00 | 9.00 | -0.11 | |
| 5,300.00 | 66.19 | 135.148 | 5,130.83 | -549.41 | 501.59 | 743.30 | 9.00 | 9.00 | -0.09 | |
| 5,400.00 | 75.19 | 135.073 | 5,163.87 | -616.20 | 568.12 | 837.58 | 9.00 | 9.00 | -0.08 | |
| 5,500.00 | 84.19 | 135.004 | 5,181.75 | -685.75 | 637.57 | 935.86 | 9.00 | 9.00 | -0.07 | |
| 5,570.34 | 90.52 | 134.957 | 5,185.00 | -735.39 | 687.25 | 1,006.09 | 9.00 | 9.00 | -0.07 | |
| 5,600.00 | 90.52 | 134.957 | 5,184.73 | -756.35 | 708.24 | 1,035.75 | 0.00 | 0.00 | 0.00 | |
| 5,700.00 | 90.52 | 134.957 | 5,183.83 | -827.00 | 779.00 | 1,135.74 | 0.00 | 0.00 | 0.00 | |
| 5,800.00 | 90.52 | 134.957 | 5,182.93 | -897.65 | 849.76 | 1,235.74 | 0.00 | 0.00 | 0.00 | |
| 5,900.00 | 90.52 | 134.957 | 5,182.02 | -968.31 | 920.52 | 1,335.73 | 0.00 | 0.00 | 0.00 | |
| 6,000.00 | 90.52 | 134.957 | 5,181.12 | -1,038.96 | 991.28 | 1,435.73 | 0.00 | 0.00 | 0.00 | |
| 6,100.00 | 90.52 | 134.957 | 5,180.22 | -1,109.62 | 1,062.04 | 1,535.72 | 0.00 | 0.00 | 0.00 | |
| 6,200.00 | 90.52 | 134.957 | 5,179.32 | -1,180.27 | 1,132.80 | 1,635.72 | 0.00 | 0.00 | 0.00 | |
| 6,300.00 | 90.52 | 134.957 | 5,178.41 | -1,250.93 | 1,203.57 | 1,735.71 | 0.00 | 0.00 | 0.00 | |
| 6,400.00 | 90.52 | 134.957 | 5,177.51 | -1,321.58 | 1,274.33 | 1,835.71 | 0.00 | 0.00 | 0.00 | |
| 6,500.00 | 90.52 | 134.957 | 5,176.61 | -1,392.24 | 1,345.09 | 1,935.70 | 0.00 | 0.00 | 0.00 | |
| 6,600.00 | 90.52 | 134.957 | 5,175.71 | -1,462.89 | 1,415.85 | 2,035.70 | 0.00 | 0.00 | 0.00 | |
| 6,700.00 | 90.52 | 134.957 | 5,174.80 | -1,533.55 | 1,486.61 | 2,135.69 | 0.00 | 0.00 | 0.00 | |
| 6,800.00 | 90.52 | 134.957 | 5,173.90 | -1,604.20 | 1,557.37 | 2,235.69 | 0.00 | 0.00 | 0.00 | |
| 6,900.00 | 90.52 | 134.957 | 5,173.00 | -1,674.85 | 1,628.13 | 2,335.68 | 0.00 | 0.00 | 0.00 | |
| 7,000.00 | 90.52 | 134.957 | 5,172.09 | -1,745.51 | 1,698.89 | 2,435.68 | 0.00 | 0.00 | 0.00 | |
| 7,100.00 | 90.52 | 134.957 | 5,171.19 | -1,816.16 | 1,769.65 | 2,535.67 | 0.00 | 0.00 | 0.00 | |
| 7,200.00 | 90.52 | 134.957 | 5,170.29 | -1,886.82 | 1,840.41 | 2,635.66 | 0.00 | 0.00 | 0.00 | |
| 7,300.00 | 90.52 | 134.957 | 5,169.39 | -1,957.47 | 1,911.18 | 2,735.66 | 0.00 | 0.00 | 0.00 | |
| 7,400.00 | 90.52 | 134.957 | 5,168.48 | -2,028.13 | 1,981.94 | 2,835.65 | 0.00 | 0.00 | 0.00 | |
| 7,500.00 | 90.52 | 134.957 | 5,167.58 | -2,098.78 | 2,052.70 | 2,935.65 | 0.00 | 0.00 | 0.00 | |
| 7,600.00 | 90.52 | 134.957 | 5,166.68 | -2,169.44 | 2,123.46 | 3,035.64 | 0.00 | 0.00 | 0.00 | |
| 7,700.00 | 90.52 | 134.957 | 5,165.78 | -2,240.09 | 2,194.22 | 3,135.64 | 0.00 | 0.00 | 0.00 | |
| 7,800.00 | 90.52 | 134.957 | 5,164.87 | -2,310.74 | 2,264.98 | 3,235.63 | 0.00 | 0.00 | 0.00 | |
| 7,900.00 | 90.52 | 134.957 | 5,163.97 | -2,381.40 | 2,335.74 | 3,335.63 | 0.00 | 0.00 | 0.00 | |
| 8,000.00 | 90.52 | 134.957 | 5,163.07 | -2,452.05 | 2,406.50 | 3,435.62 | 0.00 | 0.00 | 0.00 | |
| 8,100.00 | 90.52 | 134.957 | 5,162.16 | -2,522.71 | 2,477.26 | 3,535.62 | 0.00 | 0.00 | 0.00 | |
| 8,200.00 | 90.52 | 134.957 | 5,161.26 | -2,593.36 | 2,548.03 | 3,635.61 | 0.00 | 0.00 | 0.00 | |
| 8,300.00 | 90.52 | 134.957 | 5,160.36 | -2,664.02 | 2,618.79 | 3,735.61 | 0.00 | 0.00 | 0.00 | |
| 8,400.00 | 90.52 | 134.957 | 5,159.46 | -2,734.67 | 2,689.55 | 3,835.60 | 0.00 | 0.00 | 0.00 | |
| 8,500.00 | 90.52 | 134.957 | 5,158.55 | -2,805.33 | 2,760.31 | 3,935.60 | 0.00 | 0.00 | 0.00 | |
| 8,600.00 | 90.52 | 134.957 | 5,157.65 | -2,875.98 | 2,831.07 | 4,035.59 | 0.00 | 0.00 | 0.00 | |
| 8,700.00 | 90.52 | 134.957 | 5,156.75 | -2,946.64 | 2,901.83 | 4,135.59 | 0.00 | 0.00 | 0.00 | |
| 8,800.00 | 90.52 | 134.957 | 5,155.85 | -3,017.29 | 2,972.59 | 4,235.58 | 0.00 | 0.00 | 0.00 | |
| 8,900.00 | 90.52 | 134.957 | 5,154.94 | -3,087.94 | 3,043.35 | 4,335.57 | 0.00 | 0.00 | 0.00 | |
| 9,000.00 | 90.52 | 134.957 | 5,154.04 | -3,158.60 | 3,114.11 | 4,435.57 | 0.00 | 0.00 | 0.00 | |
| 9,100.00 | 90.52 | 134.957 | 5,153.14 | -3,229.25 | 3,184.87 | 4,535.56 | 0.00 | 0.00 | 0.00 | |
| 9,200.00 | 90.52 | 134.957 | 5,152.23 | -3,299.91 | 3,255.64 | 4,635.56 | 0.00 | 0.00 | 0.00 | |
| 9,300.00 | 90.52 | 134.957 | 5,151.33 | -3,370.56 | 3,326.40 | 4,735.55 | 0.00 | 0.00 | 0.00 | |
| 9,400.00 | 90.52 | 134.957 | 5,150.43 | -3,441.22 | 3,397.16 | 4,835.55 | 0.00 | 0.00 | 0.00 | |
| 9,500.00 | 90.52 | 134.957 | 5,149.53 | -3,511.87 | 3,467.92 | 4,935.54 | 0.00 | 0.00 | 0.00 | |
| 9,600.00 | 90.52 | 134.957 | 5,148.62 | -3,582.53 | 3,538.68 | 5,035.54 | 0.00 | 0.00 | 0.00 | |
| 9,700.00 | 90.52 | 134.957 | 5,147.72 | -3,653.18 | 3,609.44 | 5,135.53 | 0.00 | 0.00 | 0.00 | |
| 9,800.00 | 90.52 | 134.957 | 5,146.82 | -3,723.83 | 3,680.20 | 5,235.53 | 0.00 | 0.00 | 0.00 | |
| 9,900.00 | 90.52 | 134.957 | 5,145.92 | -3,794.49 | 3,750.96 | 5,335.52 | 0.00 | 0.00 | 0.00 | |



Scientific Drilling, Intl

Planning Report



| | | | |
|-------------------------------------|---------------------------------|--|--|
| Database: Company: | Grand Junction DJR Operating | Local Co-ordinate Reference: TVD Reference: | Well 608H - Slot 2 GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Project: | Nageezi Unit | MD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Site: | H33 2409 | North Reference: | True |
| Well: | 608H | 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) |
| 10,000.00 | 90.52 | 134.957 | 5,145.01 | -3,865.14 | 3,821.72 | 5,435.52 | 0.00 | 0.00 | 0.00 |
| 10,100.00 | 90.52 | 134.957 | 5,144.11 | -3,935.80 | 3,892.49 | 5,535.51 | 0.00 | 0.00 | 0.00 |
| 10,200.00 | 90.52 | 134.957 | 5,143.21 | -4,006.45 | 3,963.25 | 5,635.51 | 0.00 | 0.00 | 0.00 |
| 10,300.00 | 90.52 | 134.957 | 5,142.30 | -4,077.11 | 4,034.01 | 5,735.50 | 0.00 | 0.00 | 0.00 |
| 10,400.00 | 90.52 | 134.957 | 5,141.40 | -4,147.76 | 4,104.77 | 5,835.50 | 0.00 | 0.00 | 0.00 |
| 10,500.00 | 90.52 | 134.957 | 5,140.50 | -4,218.42 | 4,175.53 | 5,935.49 | 0.00 | 0.00 | 0.00 |
| 10,600.00 | 90.52 | 134.957 | 5,139.60 | -4,289.07 | 4,246.29 | 6,035.49 | 0.00 | 0.00 | 0.00 |
| 10,700.00 | 90.52 | 134.957 | 5,138.69 | -4,359.73 | 4,317.05 | 6,135.48 | 0.00 | 0.00 | 0.00 |
| 10,800.00 | 90.52 | 134.957 | 5,137.79 | -4,430.38 | 4,387.81 | 6,235.47 | 0.00 | 0.00 | 0.00 |
| 10,900.00 | 90.52 | 134.957 | 5,136.89 | -4,501.03 | 4,458.57 | 6,335.47 | 0.00 | 0.00 | 0.00 |
| 11,000.00 | 90.52 | 134.957 | 5,135.99 | -4,571.69 | 4,529.33 | 6,435.46 | 0.00 | 0.00 | 0.00 |
| 11,100.00 | 90.52 | 134.957 | 5,135.08 | -4,642.34 | 4,600.10 | 6,535.46 | 0.00 | 0.00 | 0.00 |
| 11,200.00 | 90.52 | 134.957 | 5,134.18 | -4,713.00 | 4,670.86 | 6,635.45 | 0.00 | 0.00 | 0.00 |
| 11,300.00 | 90.52 | 134.957 | 5,133.28 | -4,783.65 | 4,741.62 | 6,735.45 | 0.00 | 0.00 | 0.00 |
| 11,400.00 | 90.52 | 134.957 | 5,132.37 | -4,854.31 | 4,812.38 | 6,835.44 | 0.00 | 0.00 | 0.00 |
| 11,500.00 | 90.52 | 134.957 | 5,131.47 | -4,924.96 | 4,883.14 | 6,935.44 | 0.00 | 0.00 | 0.00 |
| 11,600.00 | 90.52 | 134.957 | 5,130.57 | -4,995.62 | 4,953.90 | 7,035.43 | 0.00 | 0.00 | 0.00 |
| 11,663.05 | 90.52 | 134.957 | 5,130.00 | -5,040.16 | 4,998.51 | 7,098.48 | 0.00 | 0.00 | 0.00 |

| Design Targets | | | | | | | | | | |
|---------------------------|---------------|--------------|------------|-------------|-------------|-----------------|----------------|------------|--------------|--|
| Target Name | | | | | | | | | | |
| - hit/miss target | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/S (usft) | +E/W (usft) | Northing (usft) | Easting (usft) | Latitude | Longitude | |
| - Shape | | | | | | | | | | |
| 608H Toe | 0.00 | 0.000 | 5,130.00 | -5,040.16 | 4,998.51 | 1,914,037.30 | 2,741,690.87 | 36.2602541 | -107.7702451 | |
| - plan hits target center | | | | | | | | | | |
| - Circle (radius 100.00) | | | | | | | | | | |
| 608H Heel | 0.00 | 0.000 | 5,185.00 | -735.39 | 687.25 | 1,918,340.02 | 2,737,377.55 | 36.2720808 | -107.7848685 | |
| - plan hits target center | | | | | | | | | | |
| - Circle (radius 50.00) | | | | | | | | | | |

| Casing Points | | | | | | | | | |
|-----------------------|-----------------------|---------------------|--|--|--|----------------------|--------------------|--|--|
| Measured Depth (usft) | Vertical Depth (usft) | Name | | | | Casing Diameter (in) | Hole Diameter (in) | | |
| 350.00 | 350.00 | Surface Casing | | | | 9.62 | 12.25 | | |
| 5,509.04 | 5,182.60 | Intermediate Casing | | | | 7.00 | 8.75 | | |



Scientific Drilling, Intl

Planning Report



Scientific Drilling

| | | | |
|------------------|-------------------|-------------------------------------|--|
| Database: | Grand Junction | Local Co-ordinate Reference: | Well 608H - Slot 2 |
| Company: | DJR Operating | TVD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Project: | Nageezi Unit | MD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Site: | H33 2409 | North Reference: | True |
| Well: | 608H | Survey Calculation Method: | Minimum Curvature |
| Wellbore: | Original Drilling | | |
| Design: | APD | | |

Formations

| Measured Depth (usft) | Vertical Depth (usft) | Name | Lithology | Dip (°) | Dip Direction (°) |
|-----------------------|-----------------------|-----------------|-----------|---------|-------------------|
| 706.64 | 706.00 | Ojo Alamo | | 0.00 | 0.000 |
| 860.25 | 859.00 | Kirtland | | 0.00 | 0.000 |
| 1,151.41 | 1,149.00 | Fruitland | | 0.00 | 0.000 |
| 1,498.80 | 1,495.00 | Pictured Cliffs | | 0.00 | 0.000 |
| 1,596.19 | 1,592.00 | Lewis | | 0.00 | 0.000 |
| 2,241.76 | 2,235.00 | Chacra | | 0.00 | 0.000 |
| 2,993.76 | 2,984.00 | Menefee | | 0.00 | 0.000 |
| 3,951.58 | 3,938.00 | Point Lookout | | 0.00 | 0.000 |
| 4,127.28 | 4,113.00 | Mancos | | 0.00 | 0.000 |
| 4,446.55 | 4,431.00 | Mancos Silt | | 0.00 | 0.000 |
| 4,968.79 | 4,926.00 | Gallup A | | 0.00 | 0.000 |
| 5,018.73 | 4,965.00 | Gallup B | | 0.00 | 0.000 |
| 5,214.18 | 5,091.00 | Gallup C | | 0.00 | 0.000 |



DJR Operating

Nageezi Unit
H33 2409
608H

Original Drilling
APD

Anticollision Report

07 January, 2020



www.scientificdrilling.com





Scientific Drilling, Intl

Anticollision Report



| | | | |
|---------------------------|-------------------|-------------------------------------|--|
| Company: | DJR Operating | Local Co-ordinate Reference: | Well 608H - Slot 2 |
| Project: | Nageezi Unit | TVD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Reference Site: | H33 2409 | MD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Site Error: | 0.00 usft | North Reference: | True |
| Reference Well: | 608H | 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 |
| Depth Range: | Unlimited |
| Results Limited by: | Maximum ellipse separation of 1,000.00 usft |
| Warning Levels Evaluated at: | 2.00 Sigma |
| Error Model: | ISCWSA |
| Scan Method: | Closest Approach 3D |
| Error Surface: | Pedal Curve |
| Casing Method: | Not applied |

| Survey Tool Program | | Date | 1/7/2020 | |
|---------------------|--------------|-------------------------|-----------|------------------------|
| From (usft) | To (usft) | Survey (Wellbore) | Tool Name | Description |
| 0.00 | 11,663.05 | APD (Original Drilling) | MWD+IGRF | OWSG MWD + IGRF or WMM |

| Summary | | Reference Measured Depth (usft) | Offset Measured Depth (usft) | Distance | | | Warning |
|--------------------------------|---------------------------------|--|---------------------------------------|------------------------------|-------------------------------|----------------------|---------|
| Site Name | Offset Well - Wellbore - Design | | | Between Centres (usft) | Between Ellipses (usft) | Separation Factor | |
| H33 2409 | | | | | | | |
| 324H - Original Drilling - APD | | 300.00 | 300.00 | 20.84 | 19.10 | 11.963 | CC |
| 324H - Original Drilling - APD | | 400.00 | 400.00 | 20.87 | 18.41 | 8.500 | ES |
| 324H - Original Drilling - APD | | 11,399.98 | 11,582.40 | 1,267.04 | 936.72 | 3.836 | SF |

| Offset Design H33 2409 - 324H - Original Drilling - APD | | | | | | | | | | | Offset Site Error: | 0.00 usft | |
|---|--------------------------|--------------------------|--------------------------|---------------------|------------------|-----------------------------|--|----------------|---------------------------|----------------------------|------------------------------|-------------------|---------|
| Survey Program: 0-MWD+IGRF | | | | | | | | | | | Offset Well Error: | 0.00 usft | |
| Reference | | Offset | | Semi Major Axis | | | Distance | | | | | | |
| Measured Depth (usft) | Vertical Depth (usft) | Measured Depth (usft) | Vertical Depth (usft) | Reference (usft) | Offset (usft) | Highside Toolface (%) | Offset Wellbore Centre +N/S (usft) | +E/W (usft) | Between Centres (usft) | Between Ellipses (usft) | Minimum Separation (usft) | Separation Factor | Warning |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | -116.99 | -9.46 | -18.57 | 20.84 | | | | |
| 100.00 | 100.00 | 100.00 | 100.00 | 0.15 | 0.15 | -116.99 | -9.46 | -18.57 | 20.84 | 20.53 | 0.31 | 67.608 | |
| 200.00 | 200.00 | 200.00 | 200.00 | 0.51 | 0.51 | -116.99 | -9.46 | -18.57 | 20.84 | 19.82 | 1.03 | 20.330 | |
| 300.00 | 300.00 | 300.00 | 300.00 | 0.87 | 0.87 | -116.99 | -9.46 | -18.57 | 20.84 | 19.10 | 1.74 | 11.963 CC | |
| 300.16 | 300.16 | 300.16 | 300.16 | 0.87 | 0.87 | -116.99 | -9.46 | -18.57 | 20.84 | 19.10 | 1.74 | 11.956 | |
| 400.00 | 400.00 | 400.00 | 400.00 | 1.23 | 1.23 | 103.59 | -9.46 | -18.57 | 20.87 | 18.41 | 2.46 | 8.500 ES | |
| 500.00 | 499.96 | 499.30 | 499.28 | 1.56 | 1.57 | 107.85 | -10.86 | -19.58 | 23.09 | 19.95 | 3.13 | 7.368 | |
| 600.00 | 599.77 | 598.31 | 598.15 | 1.91 | 1.91 | 113.67 | -15.02 | -22.59 | 29.53 | 25.71 | 3.82 | 7.729 | |
| 700.00 | 699.38 | 696.83 | 696.30 | 2.28 | 2.26 | 117.52 | -21.92 | -27.56 | 39.97 | 35.44 | 4.53 | 8.826 | |
| 800.00 | 798.98 | 794.78 | 793.53 | 2.65 | 2.63 | 117.41 | -31.49 | -34.46 | 53.10 | 47.85 | 5.25 | 10.117 | |
| 900.00 | 898.59 | 891.95 | 889.54 | 3.03 | 3.03 | 115.48 | -43.63 | -43.22 | 68.78 | 62.80 | 5.98 | 11.505 | |
| 1,000.00 | 998.19 | 988.14 | 984.02 | 3.42 | 3.46 | 112.92 | -58.25 | -53.77 | 87.14 | 80.43 | 6.71 | 12.981 | |
| 1,100.00 | 1,097.79 | 1,083.14 | 1,076.69 | 3.81 | 3.92 | 110.26 | -75.21 | -66.00 | 108.30 | 100.85 | 7.45 | 14.542 | |
| 1,200.00 | 1,197.39 | 1,176.78 | 1,167.29 | 4.20 | 4.41 | 107.73 | -94.35 | -79.80 | 132.32 | 124.15 | 8.17 | 16.189 | |
| 1,300.00 | 1,296.99 | 1,271.86 | 1,258.68 | 4.59 | 4.95 | 105.48 | -115.66 | -95.18 | 158.64 | 149.71 | 8.93 | 17.765 | |
| 1,400.00 | 1,396.59 | 1,368.13 | 1,351.15 | 4.98 | 5.51 | 103.83 | -137.37 | -110.83 | 185.26 | 175.55 | 9.71 | 19.084 | |
| 1,500.00 | 1,496.19 | 1,464.41 | 1,443.63 | 5.37 | 6.08 | 102.59 | -159.07 | -126.49 | 212.00 | 201.51 | 10.49 | 20.209 | |
| 1,600.00 | 1,595.79 | 1,560.68 | 1,536.10 | 5.77 | 6.67 | 101.62 | -180.78 | -142.15 | 238.80 | 227.53 | 11.28 | 21.177 | |
| 1,700.00 | 1,695.40 | 1,656.95 | 1,628.58 | 6.16 | 7.26 | 100.86 | -202.48 | -157.80 | 265.66 | 253.59 | 12.07 | 22.018 | |
| 1,800.00 | 1,795.00 | 1,753.22 | 1,721.06 | 6.56 | 7.85 | 100.23 | -224.19 | -173.46 | 292.55 | 279.69 | 12.86 | 22.754 | |
| 1,900.00 | 1,894.60 | 1,849.49 | 1,813.53 | 6.95 | 8.45 | 99.71 | -245.89 | -189.12 | 319.47 | 305.82 | 13.65 | 23.403 | |
| 2,000.00 | 1,994.20 | 1,945.76 | 1,906.01 | 7.35 | 9.05 | 99.27 | -267.60 | -204.77 | 346.41 | 331.96 | 14.45 | 23.979 | |

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



Scientific Drilling, Intl

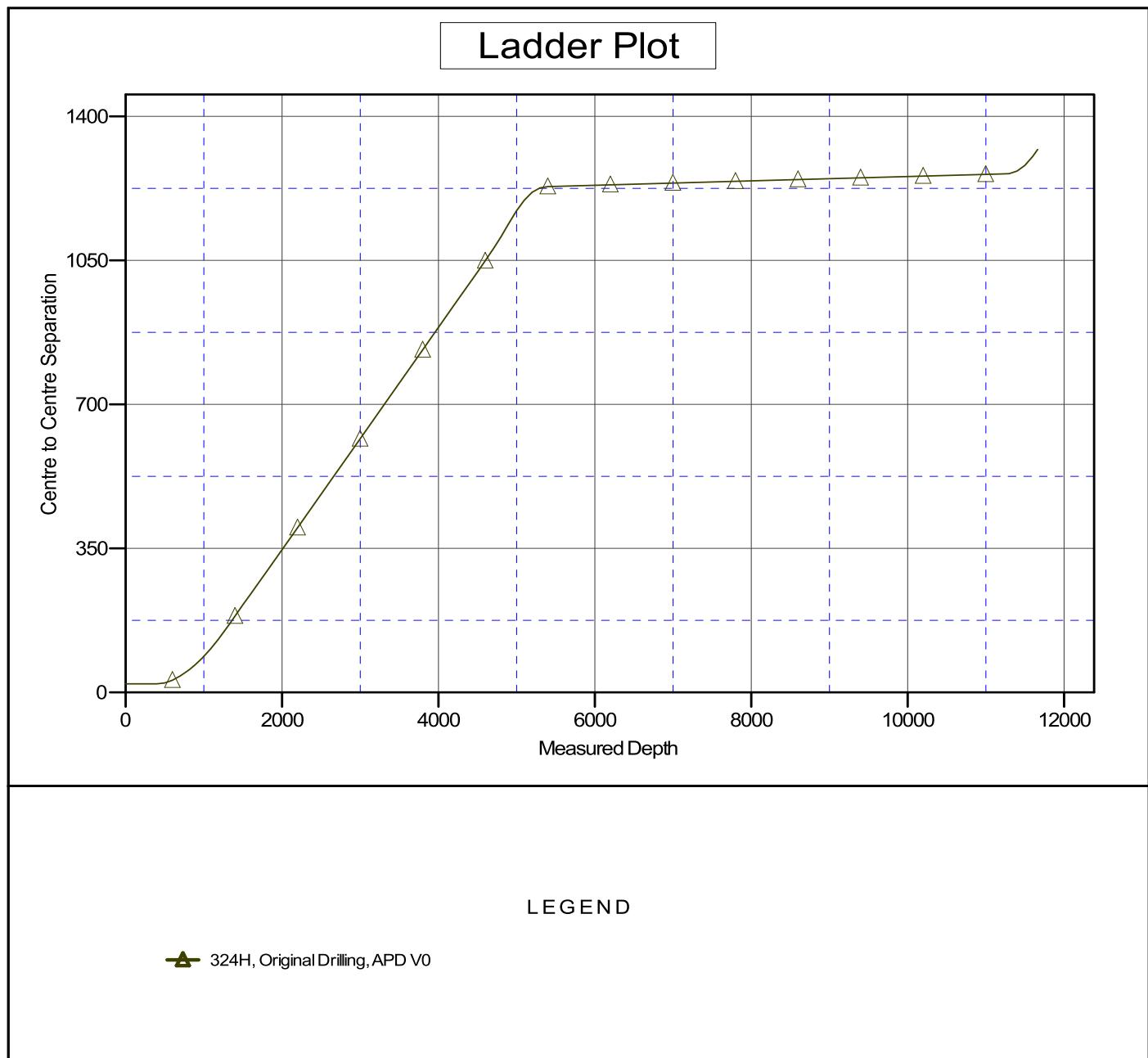
Anticollision Report



| | | | |
|---------------------------|-------------------|-------------------------------------|--|
| Company: | DJR Operating | Local Co-ordinate Reference: | Well 608H - Slot 2 |
| Project: | Nageezi Unit | TVD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Reference Site: | H33 2409 | MD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Site Error: | 0.00 usft | North Reference: | True |
| Reference Well: | 608H | 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 6877' & RKB 14' @ 6891.00usft (A
Offset Depths are relative to Offset Datum
Central Meridian is -107.8333334

Coordinates are relative to: 608H - Slot 2
Coordinate System is US State Plane 1983, New Mexico Western Zone
Grid Convergence at Surface is: 0.03°





Scientific Drilling, Intl

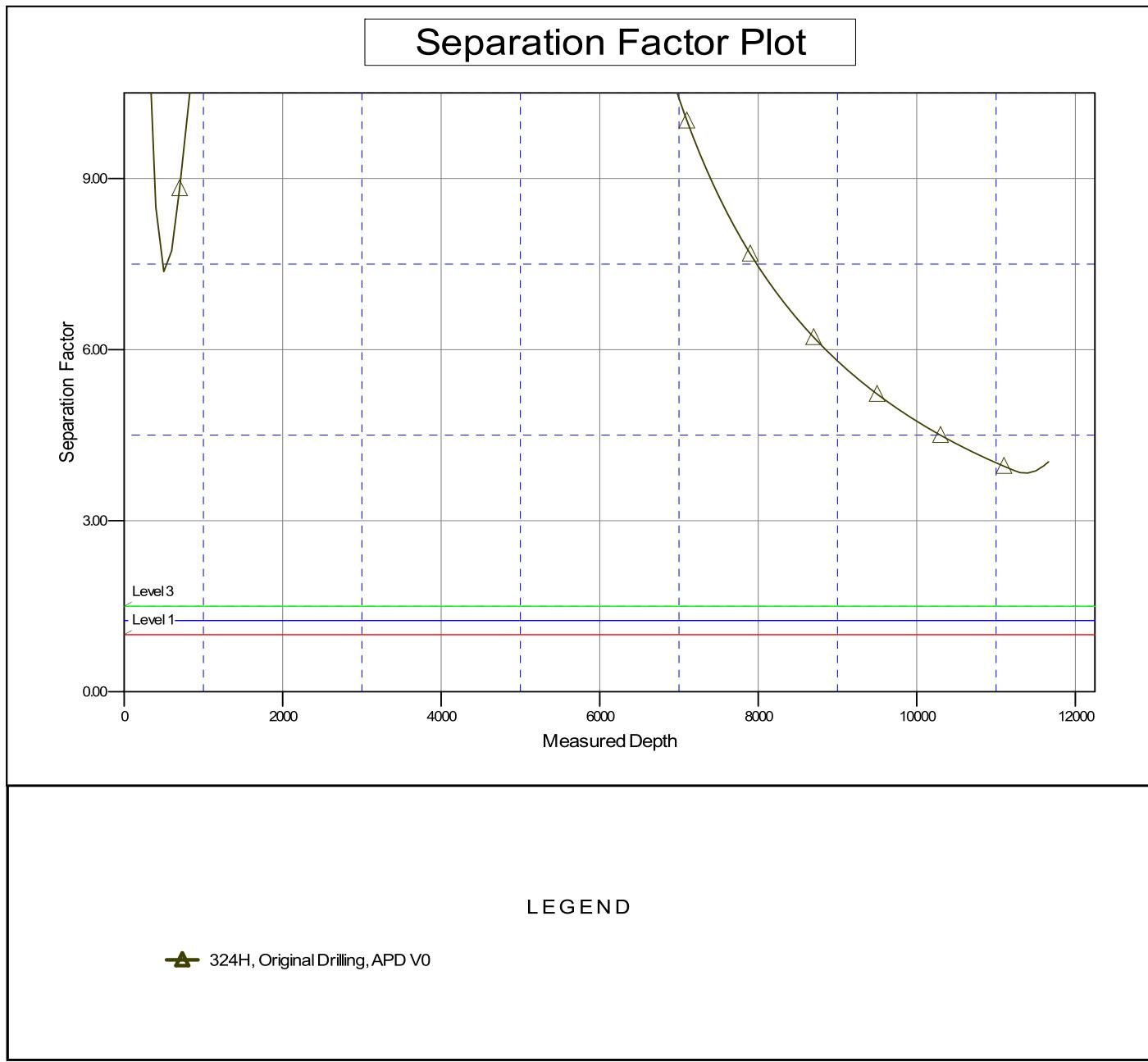
Anticollision Report



| | | | |
|---------------------------|-------------------|-------------------------------------|--|
| Company: | DJR Operating | Local Co-ordinate Reference: | Well 608H - Slot 2 |
| Project: | Nageezi Unit | TVD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Reference Site: | H33 2409 | MD Reference: | GL 6877' & RKB 14' @ 6891.00usft (Aztec 920) |
| Site Error: | 0.00 usft | North Reference: | True |
| Reference Well: | 608H | 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 6877' & RKB 14' @ 6891.00usft (A)
 Offset Depths are relative to Offset Datum
 Central Meridian is -107.833334

Coordinates are relative to: 608H - Slot 2
 Coordinate System is US State Plane 1983, New Mexico Western Zone
 Grid Convergence at Surface is: 0.03°



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
 Amended - Reason for Amendment:

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

This Gas Capture Plan outlines actions to be taken by the Operator to reduce well/production facility flaring/venting for new completion (new drill, recomplete 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 608H | Pending | SENE,Section 33, T24N, R9W | 1354' FNL, 544' FEL | 620 | Flared | |
| Nageezi Unit 633H | Pending | SENE,Section 33, T24N, R9W | 1363' FNL, 562' FEL | 610 | 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 **1,113'** of pipeline to connect the facility to DJR Operating LLC. low/high pressure **Escrito Trunk in Sec. 34, T24N, R9W** which ties into **Enterprise**' 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 19422

COMMENTS

| | | | | | |
|---------------------------------|-------------|----------------|------------------|-------------------------|-----------------------------|
| Operator: DJR OPERATING, LLC | 1 Road 3263 | Aztec, NM87410 | OGRID: 371838 | Action Number: 19422 | Action Type: FORM 3160-3 |
|---------------------------------|-------------|----------------|------------------|-------------------------|-----------------------------|

| | | |
|---------------------------|---|----------------------------|
| Created By ahvermersch | Comment See additional NMOCD COA's on attached letter. | Comment Date 03/02/2021 |
|---------------------------|---|----------------------------|

District I
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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 19422

CONDITIONS OF APPROVAL

| | | | | | |
|---------------------------------|-------------|----------------|------------------|-------------------------|-----------------------------|
| Operator: DJR OPERATING, LLC | 1 Road 3263 | Aztec, NM87410 | OGRID: 371838 | Action Number: 19422 | Action Type: FORM 3160-3 |
|---------------------------------|-------------|----------------|------------------|-------------------------|-----------------------------|

| | |
|-----------------------------|---|
| OCD Reviewer ahvermersch | Condition Notify OCD 24 hours prior to casing & cement |
|-----------------------------|---|