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 3160-4 or 3160-5 form.

Operator Signature Date: 7/17/2020
Well information: **30-039-05420 JICARILLA APACHE B #009**

Application Type:

☒ P&A ☐ Drilling/Casing Change ☐ Location Change

☐ Recomplete/DHC (For hydraulic fracturing operations review EPA Underground injection control Guidance #84; Submit Gas Capture Plan form prior to spudding or initiating recompletion operations)

☐ Other:

Conditions of Approval:

- Notify NMOCD 24 Hours prior to commencing activities
- In addition to the BLM approved plugs, add the following:
  Mancos plug inside outside above TOC.
  Pictured Cliffs plug inside outside.

NMOCD Approved by Signature — Date: 12/7/2020

Released to Imaging: 3/10/2021 2:47:50 PM

Form 3160-5
(June 2015)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on page 2

5. Lease Serial No.
JIC11

6. If Indian, Allottee or Tribe Name
JICARILLA APACHE

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

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
JICARILLA APACHE B 9

2. Name of Operator
DJR OPERATING LLC
Contact: SHAW-MARIE FORD
E-Mail: sford@djrllc.com

9. API Well No.
30-039-05420-00-S1

3a. Address
1600 BROADWAY SUITE 1600
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 505-632-3476

10. Field and Pool or Exploratory Area
BASIN DAKOTA

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 20 T24N R5W NENE 990FNL 990FEL
36.302707 N Lat, 107.378582 W Lon

11. County or Parish, State
RIO ARRIBA COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☒ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

DJR Operating, LLC requests permission to Plug & Abandon the subject well per the attached Procedure, Current & Proposed Wellbore Diagram, and Reclamation Plan.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #522243 verified by the BLM Well Information System
For DJR OPERATING LLC, sent to the Rio Puerco
Committed to AFMSS for processing by JOE KILLINS on 07/21/2020 (20JK0052SE)

Name *(Printed/Typed)* SHAW-MARIE FORD — Title REGULATORY SPECIALIST

Signature (Electronic Submission) — Date 07/17/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JOE KILLINS — Title PETROLEUM ENGINEER — Date 12/02/2020

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office Rio Puerco

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Revisions to Operator-Submitted EC Data for Sundry Notice #522243

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	ABD NOI	ABD NOI
Lease:	JIC11	JIC11
Agreement:		
Operator:	DJR OPERATING LLC 1 ROAD 3263 AZTEC, NM 87410 Ph: 505-632-3476	DJR OPERATING LLC 1600 BROADWAY SUITE 1600 DENVER, CO 80202 Ph: 303.595.7433 Fx: 303.595.7431
Admin Contact:	SHAW-MARIE FORD REGULATORY SPECIALIST E-Mail: sford@djrllc.com Ph: 505-632-3476	SHAW-MARIE FORD REGULATORY SPECIALIST E-Mail: sford@djrllc.com Ph: 505-632-3476
Tech Contact:	SHAW-MARIE FORD REGULATORY SPECIALIST E-Mail: sford@djrllc.com Ph: 505-632-3476	SHAW-MARIE FORD REGULATORY SPECIALIST E-Mail: sford@djrllc.com Ph: 505-632-3476
Location: State: County:	 NM RIO ARRIBA	 NM RIO ARRIBA
Field/Pool:	BASIN DAKOTA	BASIN DAKOTA
Well/Facility:	JICARILLA APACHE B 9 Sec 20 T24N R5W Mer NMP NENE 990FNL 990FEL 36.302710 N Lat, 107.378570 W Lon	JICARILLA APACHE B 9 Sec 20 T24N R5W NENE 990FNL 990FEL 36.302707 N Lat, 107.378582 W Lon

Plug and Abandonment Procedure

DJR Operating, LLC

Jicarilla Apache B 9

API # 30-039-05420

NE/NE, Unit A, Sec. 20, T24N, R05W

Rio Arriba County, NM

I.

1. Hold Pre job meeting, comply with all NMOCD, BLM and environmental regulations.
2. MIRU P&A rig.
3. Check and record tubing, casing and bradenhead pressures.
4. Remove existing piping from casing valve, RU blow lines from casing valves and blow down casing pressure. Kill well as necessary. Ensure that well is dead or on a vacuum.
5. ND WH, NU BOP, function test BOP.
6. Trip out of hole with 1 ¼" tubing. LD tubing to be sent in for storage/salvage.

II.

7. MIRU P&A rig and equipment.
8. PU 1 ½" workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 6574'. TOOH.
9. PU and RIH with a 3 ½" cement retainer. Set the CR at +/- 6574'. Pressure test tubing to 1000 psi, sting out of CR, load and roll the hole, test casing to 600 psi. If casing does not test, contact engineering. TOOH.
10. MIRU logging truck. Run CBL log from 6574' to surface.
11. TIH with workstring to 6574'.
12. Plug 1. Mix and attempt to place 10 sx class G cement through CR, into Dakota perforations. If zone pressures up, sting out of CR, place cement above retainer and continue to plug 2.

13. Plug 2. Dakota, RU cement equipment, pump water to assure that tubing is clear. Mix and spot a balanced plug of class G cement from 6574' to 6394'.

14. Plug 3. Gallup and Mancos; RU cement equipment, pump water to assure that tubing is clear. Mix and spot a balanced plug of class G cement from 5526' to 4532'.

15. Plug 4. Mesa Verde; Perforate holes at 3790'. Set 3 ½" CR at 3740'. Mix and pump class G cement through CR inside/outside 3 ½" casing from 3790' to 3690'.

16. Plug 5. Chacra; Perforate holes at 3094'. Set 3 ½" CR at 3044'. Mix and pump class G cement through CR inside/outside 3 ½" casing from 3094' to 2994'.

17. Plug 6. Pictured Cliffs, Mix and spot an inside balanced plug of class G cement from 2268' to 2010'. (pending results of CBL and TOC).

18. Plug 7. Fruitland, Kirtland and Ojo Alamo; Perforate holes at 2000'. Set 3 ½" CR at 1950'. Mix and pump class G cement through CR inside/outside 3 ½" casing from 2000' to 1593'.

19. Plug 8: Perforate at 386'. Mix and pump class G cement, attempt to establish circulation to surface. Top off as needed.

20. RD cementing equipment. Cut off wellhead, fill any exposed annulus with cement as necessary. Install **SURFACE P&A marker** as per BIA requirements. Record GPS coordinates for P&A marker and the Final P&A Report. Photograph the P&A marker and attach to the report.

21. RD and MO all rig and cement equipment. Assure that location is free of trash and contamination before moving off.

22. Send all reports and attachments to DJR Aztec office for regulatory filings.

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

Surface P&A marker is to be installed at surface, 12" x 18" and exposed at the reclaimed GL surface.

Current Wellbore Diagram

DJR Operating, LLC

Jicarilla Apache B 9

API # 30-039-05420
NE/NE, Unit A, Sec 20, T24N, R05W
Rio Arriba County, NM

GL	**6815'**
KB	**6749'**
Spud Date	**3/23/1962**

SURF CSG

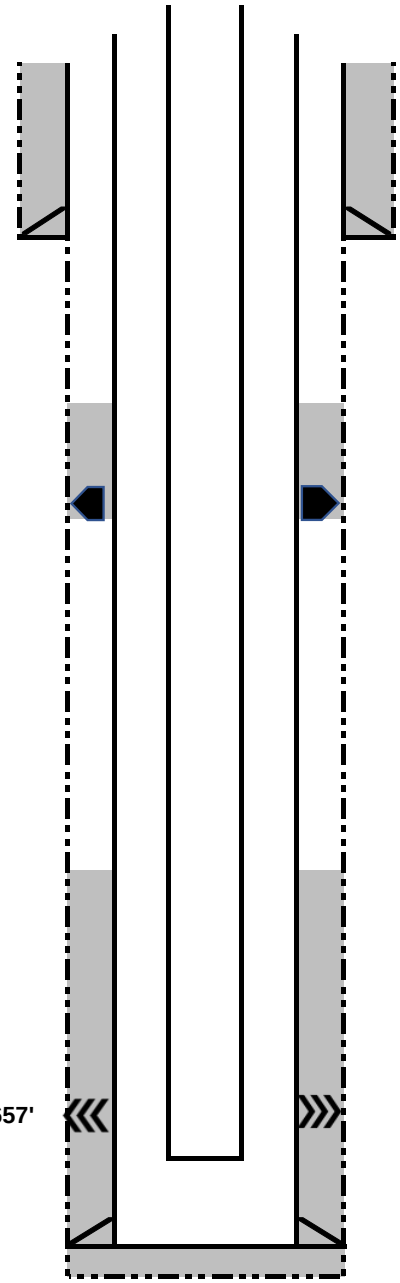
Hole size	13.75"
Csg Size:	9.625"
Wt:	25.4#
Grade:	N/A
ID:	8.95"
Depth	174'
Csg cap ft^3:	0.448
Csg/Csg	0.3144
Csg/OH cap	0.8307
TOC:	Cir surf

PROD CSG

Hole size	7.875"
Csg Size:	3.5"
Wt:	9.2#
Grade:	J-55
ID:	2.992"
Depth	6811'
Csg cap ft^3:	0.0488
Csg/Csg Ann ft^3:	0.3144
Csg/OH cap ft^3:	0.2714
TOC:	See dia

FORMATION TOPS

Nacimiento	
Ojo Alamo	**1643'**
Kirtland	**1946'**
Fruitland	
Pictured Cliffs	**2220'**
Lewis	**2336'**
Chacra	**3044'**
Mesa Verde	**3740'**
Mancos	**4610'**
Gallup	**5476'**
Dakota	**6584'**



PROD TBG DETAIL:

1.25" 2.4#	6617'

TOC 2021 +/-
Very old log

DV Tool 2408'

TOC +/- 4576'
Very old Log

Perfs **6586 - 6657'**

PBTD	**6749'**
TD	**6815'**

Proposed Wellbore P&A Diagram

DJR Operating, LLC

Jicarilla Apache B 9

API # 30-039-05420
NE/NE, Unit A, Sec 20, T24N, R05W
Rio Arriba County, NM

GL	**6815'**
KB	**6749'**
Spud Date	**3/23/1962**

SURF CSG

Hole size	13.75"
Csg Size:	9.625"
Wt:	25.4#
Grade:	N/A
ID:	8.95"
Depth	174'
Csg cap ft^3:	0.448
Csg/Csg ft^3:	0.3144
Csg/OH cap	0.8307
TOC:	Cir surf

PROD CSG

Hole size	7.875"
Csg Size:	3.5"
Wt:	9.2#
Grade:	J-55
ID:	2.992"
Depth	6811'
Csg cap ft^3:	0.0488
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FORMATION TOPS

Nacimiento	
Ojo Alamo	**1643'**
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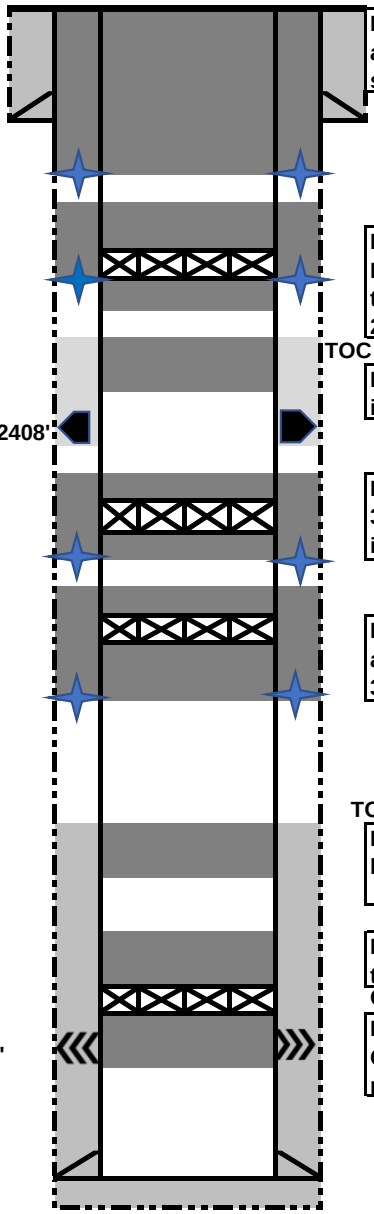
DV Tool 2408'



Dakota perfs: 6586 - 6657'

PBTD	**6749'**
TD	**6815'**

Plug 8: Nacimiento and surface: Perforate at 386', pump cement inside/outside to surface.

Plug 7: Fruitland, Kirtland, Ojo Alamo. Perforate 2000'. CR set 1950', Pump through CR, Spot plug inside/outside from 2000' to 1593'.

TOC +/- 2021'

Plug 6: Pictured Cliffs. Set balanced plug inside from 2268' to 2010'.

Plug 5: Chacra. Perforate 3094', CR set at 3044', Pump through CR, Spot plug inside/outside 3094' to 2994'.

Plug 4: Mesa Verde. Perforate 3790', CR set at 3740', Spot plug inside/outside 3790' to 3690'.

TOC +/- 4576'

Plug 3: Gallup and Mancos. Spot a balanced plug inside from 5526' to 4532'.

Plug 2: Spot cement inside 3 1/2" from 6574' to 6394'

Cement Retainer 6574'

Plug 1: Mix and attempt to place 10 sx class G cement through retainer and into Dakota perfs.

BLM FLUID MINERALS
Geologic Report

Date Completed: 11/20/2020

Well No. Jicarilla Apache B #9 (API# 30-039-05420)			Location	990 FNL	&	990 FEL	
Lease No. JIC-11			Sec. 20	T24N		R05W	
Operator DJR Operating, LLC			County	Rio Arriba	State	New Mexico	
Total Depth 6815	PBTD 6749		Formation Dakota				
Elevation (GL) 6561			Elevation (KB) 6567				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm			Surface	336	Surface/Fresh water sands
Nacimiento Fm			336	1643	Fresh water sands
Ojo Alamo Ss			1643	1876	Aquifer (fresh water)
Kirtland Shale			1876	2040	
Fruitland Fm			2040	2218	Coal/Gas/Possible water
Pictured Cliffs Ss			2218	2336	Gas
Lewis Shale			2336	3042	
Chacra			3042	3738	
Cliff House Ss			3738	3800	Water/Possible gas
Menefee Fm			3800	4376	Coal/Ss/Water/Possible O&G
Point Lookout Ss			4376	4582	Probable water/Possible O&G
Mancos Shale			4582	5473	
Gallup			5473	6390	O&G/Water
Greenhorn			6390	6444	
Graneros Shale			6444	6484	
Dakota Ss			6484	6801	O&G/Water
Morrison			6801	PBTD	

Remarks:
P & A

- BLM geologist's picks for the tops of the Kirtland, Fruitland and Dakota formations vary from operator picks.
- Log analysis of reference well #2 indicates the San Jose, Nacimiento and Ojo Alamo sands investigated likely contain fresh water to usable water (≤10,000 ppm TDS). The proposed P&A plan has adequate plugs to ensure freshwater and usable water sands are protected in this well bore.
- A previous P&A plan was approved by the Farmington BLM office on May 15, 2014. The proposed P&A plan submitted July 21, 2020 adequately incorporates changes made by BLM to the 2014 plan, and covers all formation tops adequately.
- Dakota perforations @ 6586'-6657'.

Reference Well:
1) Same Fm. Tops

2) CP Co. Water
NE Haynes #5 Analysis
1606' FNL, 928' FWL
Sec. 22, T24N, R05W
GL 6692' KB 6706'

Prepared by: *Chris Wenman*

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

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Jicarilla Apache B #9
(API# 30-039-05420)

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."

2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.

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

1.0 The approved plugging plans may contain variances from the following minimum general requirements.

1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.

1.2 Requirements may be added to address specific well conditions.

2.0 Materials used must be accurately measured. (densometer/scales)

3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.

3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.

4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.

4.1 The cement shall be as specified in the approved plugging plan.

4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.3 Surface plugs may be no less than 50' in length.

4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.

4.6 **A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.**

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

5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.

5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.

5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.

5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.

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

6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.

6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H_2S.

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

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

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

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

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 20444

CONDITIONS OF APPROVAL

Operator:	OGRID:	Action Number:	Action Type:
DJR OPERATING, LLC 1 Road 3263 Aztec, NM87410	371838	20444	C-103F

OCD Reviewer	Condition
ahvermersch	See attached Letter