

Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No. NMSF078064
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well [] Oil Well [] Gas Well [x] Other: COAL BED METHANE
2. Name of Operator DJR OPERATING LLC Contact: SHAW-MARIE FORD
3a. Address 1600 BROADWAY SUITE 1960 DENVER, CO 80202
3b. Phone No. (include area code) Ph: 505-632-3476
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T25N R12W NWNW 950FNL 1215FWL

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

Table with 2 main columns: TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production, etc.

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof.

The subject well was Plugged & Abandoned on 08/06/20 as described below.

08/05/20: MIRU. SITP 0 psi. SICP 10 psi. SIBHP 0 psi. Set CR at 1190 ft. Pumped 10 sx cement through CR into Fruitland perms. PT casing to 600 psi. Test failed. Hole appeared in BH during PT.
08/06/20: Ran CBL. Good bond throughout. Received BLM approval to continue plugging operations. Pumped 135 sx cement. Cut off Wellhead. Installed marker. Fallback 3 ft inside 5.5 x 7 inch annulus and 24 ft inside 5.5 inch casing. Pumped 20 sx cement to top off. TOC at surface. Rig released on 08/06/20

All cement used was Type II, mixed at 15.6 ppg, yield 1.18 cu.ft per sack. Regulatory Representative on site: Clay Yazzie, BLM As-Plugged WBD and Marker is attached.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #527672 verified by the BLM Well Information System For DJR OPERATING LLC, sent to the Farmington Committed to AFMSS for processing by JOE KILLINS on 08/28/2020 (20JH0125SE) Name: SHAW-MARIE FORD Title: REGULATORY SPECIALIST Date: 08/27/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By: ACCEPTED Signature: JOE KILLINS Title: ENGINEER Date: 08/28/2020 Office: Farmington

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 **

Revisions to Operator-Submitted EC Data for Sundry Notice #527672

| | Operator Submitted | BLM Revised (AFMSS) |
|----------------|--|---|
| Sundry Type: | ABD SR | ABD SR |
| Lease: | NMSF078064 | NMSF078064 |
| Agreement: | | |
| Operator: | DJR OPERATING LLC 1 ROAD 3263 AZTEC, NM 87410 Ph: 505-632-3476 | DJR OPERATING LLC 1600 BROADWAY SUITE 1960 DENVER, CO 80202 Ph: 303-595-7433 |
| Admin Contact: | SHAW-MARIE FORD REGULATORY SPECIALIST E-Mail: sford@djrlc.com Ph: 505-632-3476 | SHAW-MARIE FORD REGULATORY SPECIALIST E-Mail: sford@djrlc.com Ph: 505-632-3476 |
| Tech Contact: | SHAW-MARIE FORD REGULATORY SPECIALIST E-Mail: sford@djrlc.com Ph: 505-632-3476 | SHAW-MARIE FORD REGULATORY SPECIALIST E-Mail: sford@djrlc.com Ph: 505-632-3476 |
| Location: | | |
| State: | NM | NM |
| County: | SAN JUAN | SAN JUAN |
| Field/Pool: | BASIN FRUITLAND COAL | BASIN FRUITLAND COAL |
| Well/Facility: | PETE MORROW 2T Sec 1 T25N R12W Mer NMP NWNW 950FNL 1215FWL 36.434795 N Lat, 108.067886 W Lon | PETE MORROW 2T Sec 1 T25N R12W NWNW 950FNL 1215FWL 36.434798 N Lat, 108.067863 W Lon |

DJR Operating, LLC
As-Plugged Wellbore Diagram and Plugging Operations

Pete Morrow 2T

API # 30-045-32463

NW/NW, Unit D, Sec 1, T25N, R12W
 San Juan County, NM

GL 6300'

KB N/A

Spud Date 2/13/2006

SURF CSG

Hole size 12.25"
 Csg Size: 8.625"
 Wt: 24#
 Grade: K-55
 ID: 6.336"
 Depth 141**
 casing cap ft3/ft: 0.3575
 TOC: Circ cmt to surface

FORMATION TOPS

| | |
|-----------------|---------|
| Nacimiento | Surface |
| Ojo Alamo | 263' |
| Kirtland | 352' |
| Fruitland | 1047' |
| Pictured Cliffs | 1253' |

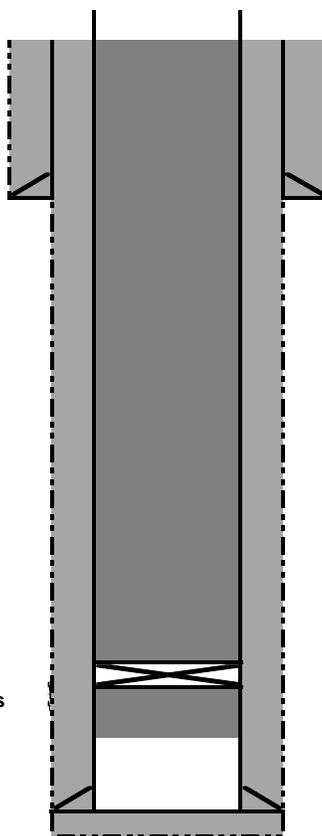
PROD CSG

Hole size 7.875"
 Csg Size: 5.5"
 Wt: 15.5#
 Grade: K-55
 ID: 4.95"
 Depth 1406'
 casing cap ft3/ft: 0.1336
 8.625x5.5 cap ft3/ft 0.1926
 TOC: Circ cmt to surface

*From original surface casing sundrv

Cement Ret. 1190'
 Fruitland Coal perms
 1226-1246'

PBTD 1309'
 TD 1415'



PLUGGING OPERATIONS

Top off plug: 8/6/2020: Pumped 20 sx Type II cement to top off. TOC at surface.

Plug 2: 8/6/2020: Ran CBL. Good bond throughout. Received permission to continue with plugging operations. Mixed and pumped 135 sx Type II cement. Pumped an additional 20 sx through the casing. Cut off WH. Installed PxA marker. Fallback = 3' inside 5-1/2"x7" annulus and 24' inside 5-1/2" casing.

Plug 1: 8/5/2020: Set CR at 1190'. Pumped 10 sx cement through CR to cover Fruitland perms.

NOTES:

A-Plus Rig 9: MOLRU on 8/5/2020. SITP=0 psi. SICP=10 psi. SIBHP=0 psi.
 Set CR at 1190'. PT casing to 600 psi. Test failed. Hole appeared in BH during PT.
 Ran CBL. Good bond throughout. Received approval to continue operations.
 All plugs Type II cement mixed at 15.6 ppg, yield 1.18 cu. ft./sack.
 Regulatory representative on site: Clay Yazzie
 Attached are the PxA marker photo and the GPS coordinates
 Plugging and abandonment was completed on 8/6/2020 and the rig was released.



36°26'5" N 108°4'5" W
Bloomfield, NM
6300 ft Elevation

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 22061

CONDITIONS OF APPROVAL

| | | | | | |
|--------------------|-------------|----------------|-----------|----------------|--------------|
| Operator: | | | OGRID: | Action Number: | Action Type: |
| DJR OPERATING, LLC | 1 Road 3263 | Aztec, NM87410 | 371838 | 22061 | C-103P |
| OCD Reviewer | | | Condition | | |
| ahvermersch | | | None | | |