AFMSS

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Sundry Print Report

06/03/2021

Well Name: AXI APACHE D	**Well Location:** T24N / R4W / SEC 19 / SWSW /	**County or Parish/State:** RIO ARRIBA / NM
Well Number: 2	**Type of Well:** CONVENTIONAL GAS WELL	**Allottee or Tribe Name:** JICARILLA APACHE
Lease Number: JIC42	**Unit or CA Name:**	**Unit or CA Number:**
US Well Number: 300390534300S1	**Well Status:** Gas Well Shut In	**Operator:** DJR OPERATING LLC

Notice of Intent

Type of Submission: Notice of Intent

Type of Action Plug and Abandonment

Date Sundry Submitted: 01/25/2021

Time Sundry Submitted: 12:15

Date proposed operation will begin: 01/25/2021

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

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

04_AXI_Apache_D2_Reclamation_Plan_20210125121500.pdf

03_AXI_Apache_D2_Proposed_WBD_20210125121451.pdf

02_AXI_Apache_D2_Current_WBD_20210125121443.pdf

01_AXI_Apache_D2_PxA_Procedure_20210125121436.pdf

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Conditions of Approval

Specialist Review

General_Requirement_P_A_20210324111701.pdf

Additional Reviews

24N04W19NKpc_AXI_Apache_D_2_20210518152011.pdf

Operator Certification

I certify that the foregoing is true and correct. 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. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: SHAW-MARIE FORD

Signed on: JAN 25, 2021 12:15 PM

Name: DJR OPERATING LLC

Title: Regulatory Specialist

Street Address: 1 Road 3263

City: Aztec **State:** NM

Phone: (505) 632-3476

Email address: sford@djrllc.com

Field Representative

Representative Name:

Street Address:

City: **State:** **Zip:**

Phone:

Email address:

BLM POC Name: DAVE J MANKIEWICZ

BLM POC Title: AFM-Minerals

BLM POC Phone: 5055647760

BLM POC Email Address: DMANKIEW@BLM.GOV

Disposition: Approved

Dispostion Date: 6/3/2021

Signature: DJMankiewicz

Plug and Abandonment Procedure

for

DJR Operating, LLC

AXI Apache D 2

API # 30-039-05343

SE/SW, Unit N, Sec. 19, T24N, R4W

Rio Arriba County, NM

I.

1. Hold pre-job meeting, comply with all NMOCD, BLM and environmental regulations.

2. Check and record tubing, casing and bradenhead pressures.

3. 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.

4. Trip out of hole with rods and pump. Lay down to be sent in for storage/salvage.

5. ND WH, NU BOP, function test BOP.

6. Trip out of hole with 2 3/8" tubing. LD tubing to be sent in for storage/salvage.

II.

7. PU workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 2440'. TOOH.

8. PU and RIH with an 8-5/8" CR. Set the CR at +/- 2440'. Pressure test tubing to 1000 psi, sting out of CR, test casing to 600 psi. If casing does not test, contact engineering. RU and RIH with CBL. Run from 2440' to surface.

   Provided that casing test was good, proceed to step 9.

9. RU cement equipment. Pump water to assure that tubing is clear.

10. Plug 1. Mix and attempt to squeeze 20 sx Class G cement through CR. If zone pressures up, sting back out of retainer and continue with Plug 2.

11. Plug 2. Mix and pump 502' plug of Class G cement on top of CR from 2440-1938' to cover Fruitland, Kirtland, and Ojo Alamo. Pump water to assure that tubing is clear.

12. Plug 3. RIH with wireline. Perforate 4 holes at 810' (or as indicated by new CBL). POOH with wireline. Set CR at 760'. Squeeze below CR with sufficient Class G cement to bring cement to 710' outside 8-5/8" casing. Spot 50' plug of Class G cement on top of CR.

13. Plug 4. RIH with wireline. Perforate 4 holes at 371' (or as indicated by new CBL). Tie onto 8-5/8" casing and mix and pump with sufficient Class G cement to bring cement to surface inside and outside 8-5/8" casing.

14. RD cementing equipment. Cut off wellhead, fill annuli 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.

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

16. 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. /sk. Cement volumes are based on inside capacities +50' and outside capacities + 100% excess.

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

DJR Operating, LLC

Current Wellbore Diagram

AXI Apache D 2

API # 30-039-05343
SE/SW, Unit N, Sec 19, T24N, R4W
Rio Arriba County, NM

DF 6730'
KB 6731'
Spud Date 12/4/1955

SURF CSG

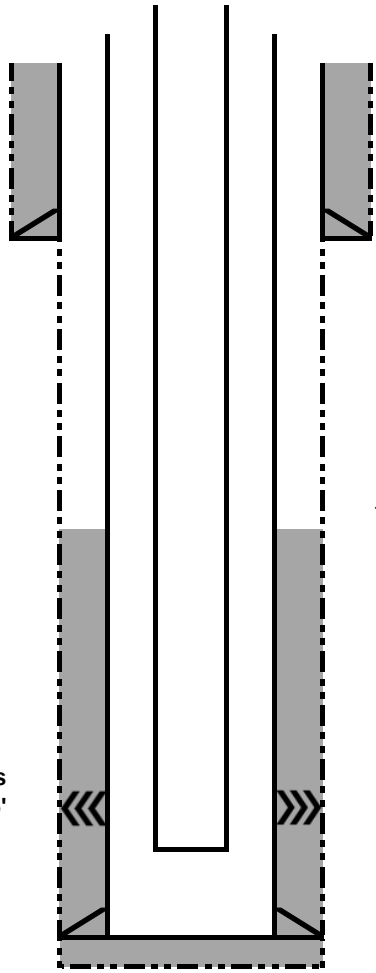
Hole size	15"
Csg Size:	13.375"
Wt:	54#
Grade:	HS
ID:	12.615"
Depth	321'
casing cap ft^3/ft:	0.8679
TOC:	Did not circulate

PROD CSG

Hole size	11"
Csg Size:	8.625
Wt:	24#
Grade:	J-55
ID:	8.097"
Depth	2560'
casing cap ft^3/ft:	0.3575
13.375x8.625 capacity ft^3/ft	0.4622
TOC:	1280' (calc.)

FORMATION TOPS

San Jose	**Surface**
Nacimiento	**760'**
Ojo Alamo	**1988'**
Fruitland	**2388'**
Pictured Cliffs	**2470'**



Production Tubing Detail
2-3/8" tbg. EOT 2470'

TOC: 1280' (calc.)

Pictured Cliffs perfs
2484-2506'

PBTD N/A
TD 2569'

8/14/2020

DJR Operating, LLC

Proposed Wellbore Diagram

AXI Apache D 2

API # 30-039-05343
SE/SW, Unit N, Sec 19, T24N, R4W
Rio Arriba County, NM

GL 6730'
KB N/A
Spud Date 12/4/1955

SURF CSG

Hole size	15"
Csg Size:	13.375"
Wt:	54#
Grade:	HS
ID:	12.615"
Depth	321'
casing cap ft^3/ft:	0.8679
TOC:	Circulated cement to surface

PROD CSG

Hole size	11"
Csg Size:	8.625
Wt:	24#
Grade:	J-55
ID:	8.097"
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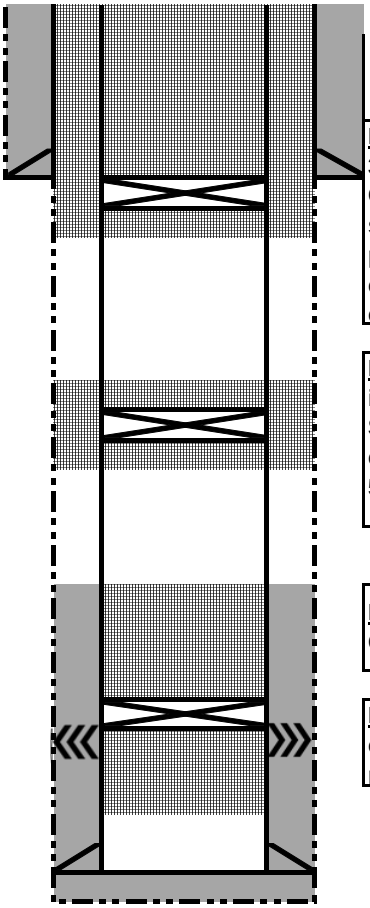

Cement Ret. 2440'
Pictured Cliffs perfs 2484-2506'

PBTD N/A
TD 2569'

Plug 4: Perf 4 holes at 371'. Set CR at 321'. Squeeze below CR with sufficient Class G cement to bring cement to surface outside 8-5/8" casing. Mix and pump sufficient Class G cement to bring cement from CR to surface inside 8-5/8" casing.

Plug 3: Perf 4 holes at 810' (or as indicated by new CBL). Set CR at 760'. Squeeze below CR with sufficient Class G cement to bring cement to 710' outside 8-5/8" casing. Spot 50' plug on top of CR.

Plug 2: Mix and pump 502' plug of Class G cement from 2440-1938'.

Plug 1: Attempt to pump 10 sx class G cement through CR to Pictured Cliffs perfs.

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.

BLM FLUID MINERALS
Geologic Report

Date Completed: 11/20/2020

Well No. AXI Apache D #2 (API# 30-039-05343)			Location	990 FSL	&	990 FWL	
Lease No. JIC42			Sec. 19	T24N		R04W	
Operator DJR Operating, LLC			County	Rio Arriba	State	New Mexico	
Total Depth 2569	PBTD		Formation Pictured Cliffs				
Elevation (GL) 6730			Elevation (KB) 6739				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm			Surface	758	Surface/Fresh water sands
Nacimiento Fm			758	1988	Fresh water sands
Ojo Alamo Ss			1988	2120	Aquifer (fresh water)
Kirtland Shale			2120	2310	
Fruitland Fm			2310	2482	Coal/Gas/Possible water
Pictured Cliffs Ss			2482	PBTD	Gas
Lewis Shale					
Chacra					
Cliff House Ss					Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos Shale					
Gallup					O&G/Water
Greenhorn					
Graneros Shale					
Dakota Ss					O&G/Water
Morrison					

Remarks:
P & A

- BLM geologist's picks for the tops of the Kirtland, Fruitland and Pictured Cliffs formations vary from operator picks. The submitted P&A plan adequately covers the BLM formation top 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.

- Pictured Cliffs perforations @ 2506'-2484'.

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*

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 30644

COMMENTS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 30644
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

COMMENTS

Created By	Comment	Comment Date
kpickford	KP GEO Review 6/10/2021	6/11/2021

District I
1625 N. French Dr., Hobbs, NM 88240
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CONDITIONS

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CONDITIONS

Created By	Condition	Condition Date
kpickford	CBL required	6/11/2021
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	6/11/2021