Well Name: SOUTH BISTI 18H

Well Location: T25N / R12W / SEC 18 / SENE / 36.402054 / -108.146317

County or Parish/State: SAN JUAN / NM

Well Number: 1

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM25446

Unit or CA Name:

Unit or CA Number:

US Well Number: 3004528381

Well Status: Oil 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: 02/17/2021

Time Sundry Submitted: 09:41

Date proposed operation will begin: 03/01/2021

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

Reclamation_Plan_South_Bisti_18H_1_20210217094055.pdf

PXA_Procedure_South_Bisti_18H_1_20210217094055.pdf

Current_WBD_South_Bisti_18H_1_20210217094055.pdf

Proposed_WBD_South_Bisti_18H_1_20210217094055.pdf

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Unit or CA Number:

US Well Number: 3004528381

Well Status: Oil Well Shut In

Operator: DJR OPERATING LLC

Conditions of Approval

Specialist Review

General_Requirement_P_A_20210316130144.pdf

Additional Reviews

South_Bisti_18H_No_1_Geo_Rpt_20210713151524.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: FEB 17, 2021 09:40 AM

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 Point of Contact

BLM POC Name: DAVE J MANKIEWICZ

BLM POC Title: AFM-Minerals

BLM POC Phone: 5055647761

BLM POC Email Address: DMANKIEW@BLM.GOV

Disposition: Approved

Disposition Date: 07/13/2021

Signature: Dave Mankiewicz

Plug and Abandonment Procedure

for

DJR Operating, LLC

South Bisti 18 H 1

API # 30-045-28381

SE/NE, Unit H, Sec. 18, T25N, R12W

San Juan County, NM

I.

1. Hold Pre job meeting, comply with all NMOCD, BLM and environmental regulations.
2. MIRU prep 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. MIRU hot oil unit, pump hot water to clear rods and tubing of paraffin.
6. Trip out of hole with rods and pump. Lay down to be sent in for storage/salvage.
7. Unset TAC.
8. ND WH, NU BOP, function test BOP.
9. Trip out of hole with 2 3/8" tubing. LD tubing to be sent in for storage/salvage.
10. RDMO prep rig to next location.

II.

11. MIRU P&A rig and equipment.
12. PU 2-3/8" workstring, TIH with bit and scraper, make sure that the bit and scraper will go to 5062'. Drop standing valve. Pressure test tubing to 1000 psi. Recover standing valve. TOOH.
13. Plug 1. Perforations and Gallup: RU cement equipment.
14. TIH to 5062'. Mix and spot a 192' plug of Class G cement from 5062' to 4870'.

15. Tag TOC. Roll hole. Pressure test casing to 600 psi. If casing does not test, contact engineering.

16. Plug 2. Mancos: Mix and spot a 100' balanced plug of Class G cement from 4097'-3997'.

17. Plug 3. Mesa Verde and Chacra: Mix and spot a 520' balanced plug of Class G cement from 2192' to 1672'.

18. Plug 4: Pictured Cliffs: Mix and spot a 100' balanced plug of Class G cement from 1480' to 1380'.

19. Plug 5: Fruitland, Kirtland. Ojo Alamo and surface casing shoe: Mix and spot balanced plug from 1138' to surface with Class G cement.

20. RD cementing equipment. Cut off wellhead, fill any exposed annulus with cement as necessary. Install P&A marker as per regulatory 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.

Current Wellbore Diagram

DJR Operating, LLC

South Bisti 18 H 1

API # 30-045-28381
SE/NE, Unit H, Sec 18, T25N, R12W
San Juan County, NM

GL	**6503'**
KB	**6517'**
Spud Date	**12/4/1990**

SURF CSG

Hole size	12.25"
Csg Size:	8.625"
Wt:	24#
Grade:	J-55
ID:	8.097"
Depth	363'
Csg cap ft^3:	0.3576
TOC:	Surface

Circulated cement to surface.

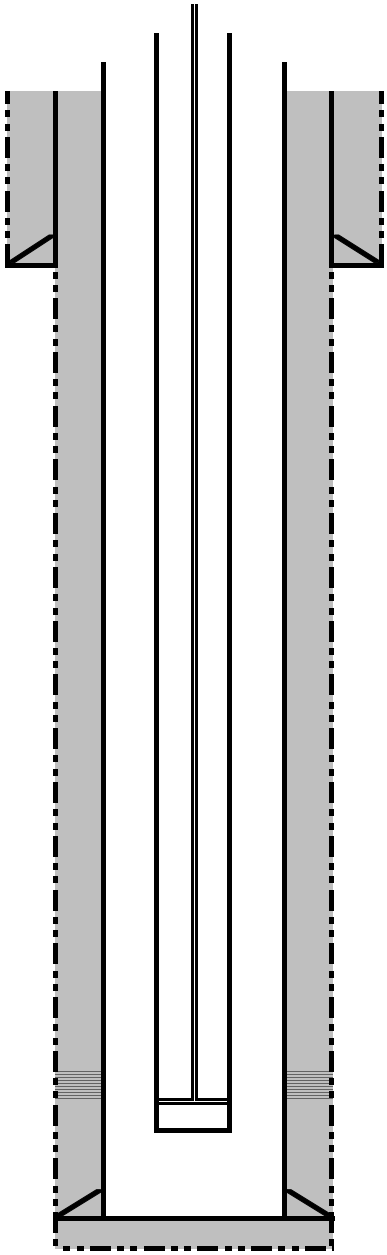
PROD CSG

Hole size	7.875"
Csg Size:	5.5"
Wt:	15.5#
Grade:	J-55
ID:	4.95"
Depth	5141'
Csg cap ft^3:	0.1336
Csg/Csg Ann ft^3:	0.1926
Csg/OH cap ft^3:	0.1732
TOC:	Surface

Circulated cement to surface.

FORMATION TOPS

Nacimiento	**Surface**
Ojo Alamo	**N/A**
Kirtland	**786'**
Fruitland	**1088'**
Pictured Cliffs	**1430'**
Chacra	**1722'**
Mesa Verde	**2142'**
Mancos	**4047'**
Gallup	**4920'**



Perfs 5034-62'

PBTD 5103'
TD 5149'

Prod Tubing Detail:

2-3/8" tbg. string: NC, perfed MA, SN (5032'), 8 jts., TAC (4773'), 148 jts. tbg. EOT @ 5064"

Rod Detail

2"x1-1/4"x10'x14' RHAC pump, 3' stabilizer bar, 4 K bars, rod configuration missing from last workover report.

Proposed Wellbore Diagram

DJR Operating, LLC

South Bisti 18 H 1

API # 30-045-28381
SE/NE, Unit H, Sec 18, T25N, R12W
San Juan County, NM

GL	**6503'**
KB	**6517'**
Spud Date	**12/4/1990**

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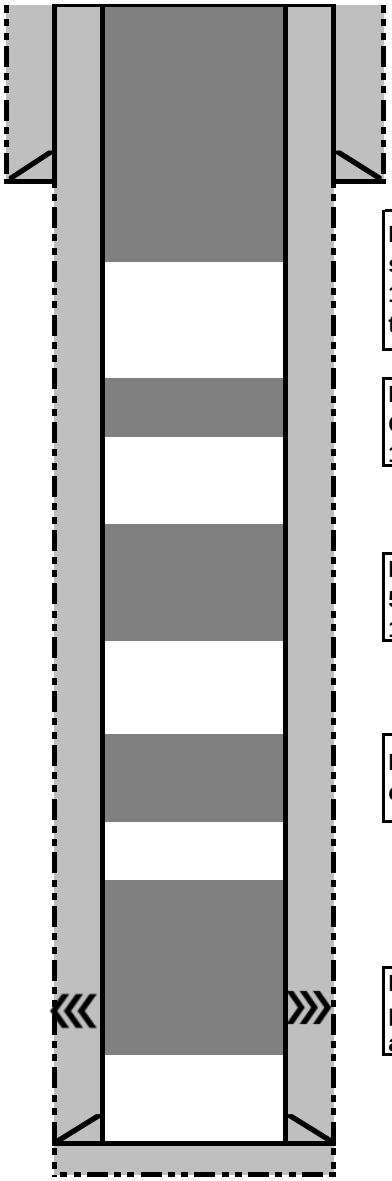


Perfs 5034-62'

PBTD 5103'
TD 5149'

Plug 5: Fruitland, Kirtland, Ojo, surface casing shoe, to surface. Spot 1138' Class G cement plug from 1138' to surface.

Plug 4: Pictured Cliffs: Spot 100' Class G cement plug from 1480' to 1380'.

Plug 3: Mesa Verde and Chacra: Spot 520' Class G cement plug from 2192' to 1672'.

Plug 2: Mancos: Spot 100' Class G cement plug from 4097' to 3997'.

Plug 1: Spot 192' Class G cement plug from 5062' to 4870' to cover perfs and top of Gallup.

AMENDED RECLAMATION PLAN: INSPECTION

Date: 2/3/2021 Well Name: South Bisti 18 H 001
Operator: DJR Section: 18 Township: 25N Range: 12W
API #: 30-045-28381 Footage: 2310' FNL 990' FEL
Lease # NMNM 25446 County: San Juan State: NM
Lat: 36.4021 Long: -108.1470 Twinned: ☐ Yes ☒ No

Surface: ☒ BLM ☐ State ☐ Allotted ☐ BIA/Trust ☐ Private
Specialist/Representatives: Randy McKee and Tim Huerter

WELL PAD

TOPOGRAPHY: ☐ Hilly ☐ Flat ☒ Rolling ☐ Sloped Soil Stockpiled: ☐ Yes ☐ No

Soil Type:	☐ Clay ☐ Sandy Clay ☒ Sandy Clay Loam ☐ Clay Loam ☐ Silty Clay Loam
	☐ Loam ☐ Silt Loam ☐ Sandy Loam ☐ Loamy Sand ☐ Sandy ☐ Silty

Comments:

SEED MIX: VEGETATION CAGE: ☐ Yes ☐ No

☒ BLM SAGEBRUSH COMMUNITY
Indian Ricegrass Rimrock @ 3# per/acre
Sand Dropseed @ .5# per/acre
Fourwing saltbush @ 3# per/acre
Galleta @ .75# per/acre
Western Wheatgrass Arriba @ 4# per/acre
Antelope bitterbrush @ 2# per/acre

☐ BADLANDS MIX
Indian Ricegrass Rimrock @ 3# per/acre
Sand Dropseed @ 0.5# per/acre
Fourwing saltbush @ 3# per/acre
Galleta @ .75# per/acre
Western Wheatgrass Arriba @ 4# per/acre
Antelope bitterbrush @ 2# per/acre
Shadscale @ 2# per/acre

Additional Seed
☐ Big Wyoming Sagebrush @ .5 to 1# per/acre
☒ Mormon Tea @ .5 to 1# per/acre
☐ Rocky Mountain Bee Plant @ 1# per/acre
☐ Rabbit Brush @ .5# per/acre
☐ Winterfat @ .5 to 1# per/acre

Facility on Location:	☒ Tanks ☐ Meter Run ☒ Separator ☐ Compressor
	☒ Pumping Unit(s) & Pad(s) ☐ Day Tanks ☐ Riser(s)
Facility Equip. Details:	2 – 300 bbl tanks
Facility Size Note:	

Gravel Present: ☒ Yes ☐ No Bury: ☐ Yes ☐ No Spread on Road: ☒ Yes ☐ No
Steel Pits: ☒ AGL ☐ BGL ☐ None Where on Location: Gravel is at the tank base

Cathodic on Location: ☒ Yes ☐ No In Service: ☐ Yes ☐ No Abandoned: ☐ Yes ☐ No
Plugged: ☐Yes ☐No Remove Wire: ☐Yes ☐No Remove Rectifier: ☐Yes ☐No ☐ N/A

Remove Trash on Location: ☒Yes Power Pole(s) Present: ☐Yes ☒No
Remove Pole(s): ☐Yes ☐No

Construct Diversion Ditch: ☐N ☐N/W ☐ N/E ☐E ☐N/E ☐ S/E ☐S ☐S/W ☐ S/E
☐W ☐N/W ☐ S/W ☐Above ☐Below ☐ Around ☒ As Needed See Drawing: ☐Yes

Contaminated Soil: ☒ Yes ☐ No Where on Location: Little at the wellhead
Removed Contaminated Soil: ☒ Yes ☐ No

Construct Silt Trap(s): ☐N ☐N/W ☐ N/E ☐E ☐N/E ☐ S/E ☐S ☐S/W ☐ S/E
☐W ☐N/W ☐ S/W ☒ As Needed ☐ N/A See Drawing: ☐Yes

Recontour Disturbed Areas to Natural Terrain:	☒Yes ☐ No ☐ N/A
Notes: Special features or Construction Comments/Concerns	Sandy location, windblown, pull material to the center of the location. Lots of gravel in front of the tank battery, pickup and take to the main road along the rim.

Access Road

Approximate Access Length: leave **Remediation Method:** ☐ Rip ☐ Disc ☐ Waterbars (divots)

Access Topography: ☐ Above Grade ☐ Below Grade ☐ At Grade Other

Culverts: ☐ Yes ☐ No **Cattle Guards:** ☐ Yes ☐ No **Re-Construct Fence:** ☐ Yes ☐ No

Surfacing Materials: ☐ Yes ☐ No **Remove Gravel To:**

Additional Comments/Concerns: Leave roads for access to the area.

Location Barricade: Four-strand smooth wire barricade fence.

Pipeline

Owner: ☐DJR ☐ Enterprise ☐ Williams **Other:**

Pipeline Location: Oil well no gathering pipelines.

Riser Relocate: ☐ Yes ☒ No Relocate To:

Remove Riser: ☐ Yes ☒ No

Acreage

Pad Acres: 1.6 Road Acres: 0

General Reclamation Plan Narrative

On 2/3/2021, an onsite to discuss surface reclamation plan was conducted with attendees Randy McKee of the BLM FFO, DJR representative Tim Huerter.

Reclamation work will begin in 2021 (date to be determined), and after submitted approved plugging Sundry. Notification will be provided via e-mail or by phone to Randy McKee, rmckee@blm.gov and cell 505-793-1834, 48 hours prior to starting dirt work.

The following was discussed:

All fences (if any), production equipment, concrete slabs, anchors, flow lines (within pad area) risers if any, tanks, will be removed off the DRJ well site and will be disposed of at the proper facilities. **Any debris and trash on the well site and 100' around the outside of the well site perimeter will be removed and disposed of at the proper facility.**

This is an oil well and there is no gathering pipeline.

Re-contouring on the well site will consist of moving windblown material from the NW and west side of the pad back to the center of the pad. The area is very sandy, and windblown. Vegetation will be stripped from the cut and fill areas, then replaced after re-contouring is completed. The access road will remain in place since they are being used by residents to access their pastures. Drainage on the well site will be addressed during pad reclamation (also see attached drawings). After the dirt work is complete and topsoil is distributed the disturbed areas will be seeded and mulched.

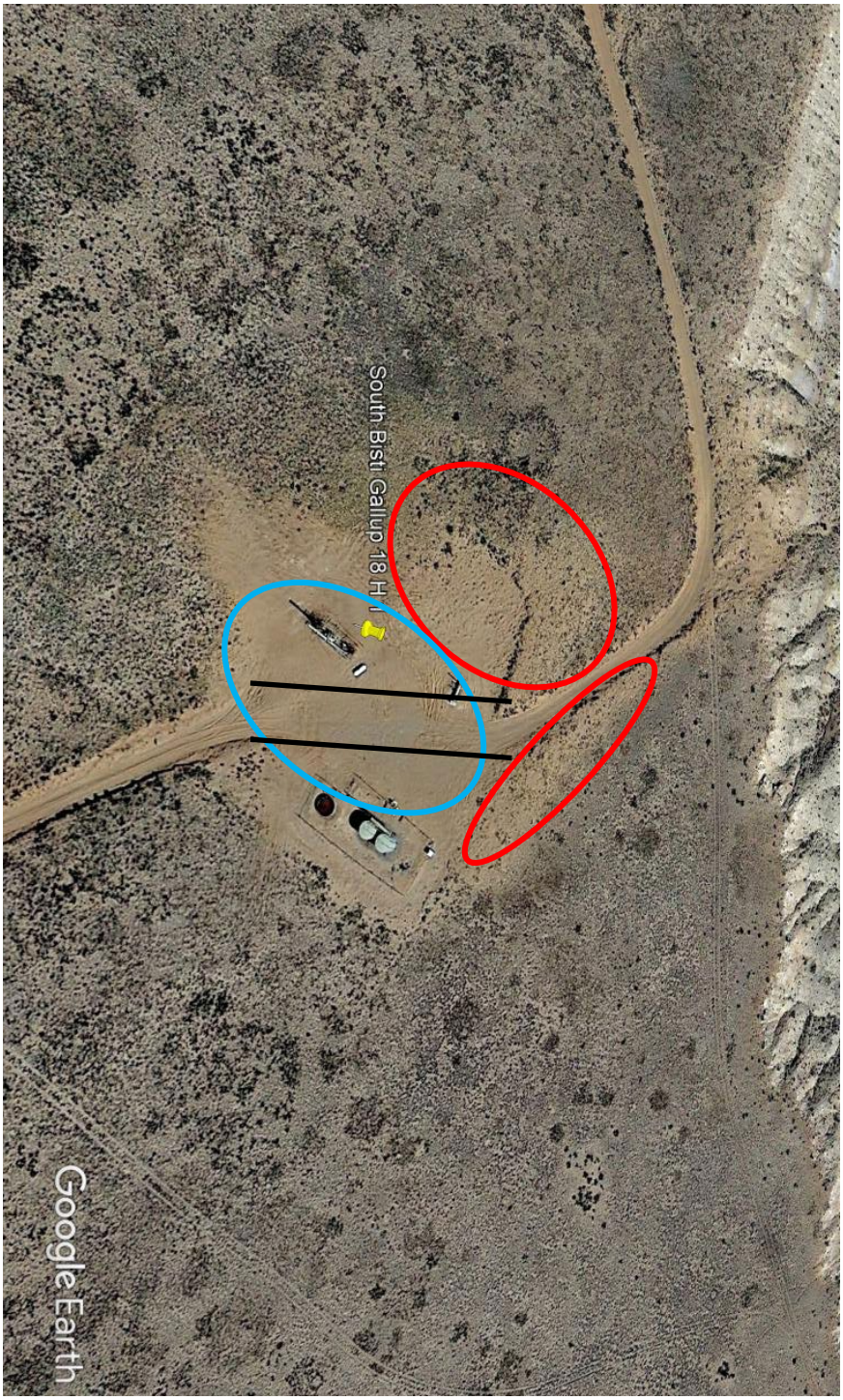
A barrier fence with signage will be installed to protect the reclaimed area (DJR will provide the signage).

All seed will be distributed via drill seeding (DJR will supply the seed). All ripping on the well site to loosen compacted soils and drill seeding will be done following the contours to minimize water erosion. All ripping on access roads and drill seeding will be done following the contours to minimize water erosion.

Straw mulch (i.e. barley, wheat, oat, etc.) will be uniformly applied and crimped on the reclaimed areas of the well site and access road. 2 tons of straw per acre. 2–3-inch depth of cover.

Drawings are only used to determine approximate area for work to be done. Exact location of features i.e. silt traps, drainages, etc. will be determined during field construction.

Reclamation Drawing



Install a four-strand smooth wire barricade fence on both sides of the access road.

Re-contouring on the well site will consist of moving windblown material from the NW and west side of the pad outlined in red back to the center of the pad outlined in blue. The area is very sandy, and windblown. Vegetation will be stripped from the cut and fill areas, then replaced after re-contouring is completed.

North

BLM - FFO - Geologic Report

Date Completed 7/1/2021

Well No.	South Bisti 18H		# 1	Surf. Loc.	2310	FNL	990	FEL
				Sec.	18	T25N		R12W
Lease No.	NMNM25446	TVD	5149	PBTD	5103	Formation	Mancos(Gallup)	
		Elevation	GL	6503		Elevation	Est. KB	6517
Operator	DJR Operating LLC			County	San Juan		State	New Mexico

Geologic Formations	Est. tops	Subsea Elev.	Remarks
San Jose Fm.			
Nacimiento Fm.	Surface	6517	Surface /fresh water sands
Ojo Alamo Ss	BSC*	>6155	Fresh water aquifer
Kirtland Fm.	740	5777	
Fruitland Fm.	1100	5417	Coal/gas/possible water
Pictured Cliffs	1380	5137	Possible water
Lewis Shale	1047	5470	Source rock
Huerfanito Bentonite	1617	4900	
Chacra (upper)	1765	4752	Possible gas/water
Lewis Sh Stringer (upper)	2010	4507	Source rock
Chacra (lower)	2140	4377	
Menefee Fm. (Upper)	2240	4277	Possible gas/water
Cliff House Ss	2520	3997	Water
Menefee Fm.	2650	3867	Coal/water/possible gas
Point Lookout Fm.	3840	2677	Possible gas/water
Mancos Shale	4000	2517	Source Rock
Gallup	4920	1597	Oil & gas

- Vertical wellbore - all fm. tops are TVD.

- BLM geologist's estimates for the tops of the Chacra, Cliff House, and the Menefee fms. vary from operator's estimates in this well.

-The tops and bottoms of Plugs 2 and 4 vary from The BLM geologist's formation depths. These plugs must be modified to match the BLM depths.

* Behind Surface Casing (< 362' depth)

1) DJR
Fm. Tops
Same

Prepared by: Walter Gage

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

COMMENTS

Action 36305

COMMENTS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 36305
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

COMMENTS

Created By	Comment	Comment Date
kpickford	KP GEO Review 7/21/2021	7/21/2021

District I
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Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
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Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 36305
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	7/21/2021