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

Sundry Print Report

03/31/2022

Well Name: BONANZA

Well Location: T22N / R3W / SEC 11 / NESE /

County or Parish/State: SANDOVAL / NM

Well Number: 7

Type of Well: OIL WELL

Allottee or Tribe Name: JICARILLA APACHE

Lease Number: JIC360

Unit or CA Name:

Unit or CA Number:

US Well Number: 3004320575

Well Status: Oil Well Shut In

Operator: DJR OPERATING LLC

Notice of Intent

Sundry ID: 2664491

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 03/30/2022

Time Sundry Submitted: 08:30

Date proposed operation will begin: 03/30/2022

Procedure Description: This request is being submitted for engineering & geological review prior to onsite inspection as approved by Dave M. of the BLM. A Reclamation Plan will be submitted on a subsequent sundry at a later date. DJR Operating, LLC requests permission to Plug & Abandon the subject well according to the attached Procedure, Current & Proposed Wellbore Diagram.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Bonanza_7_BLM_Submittal_20220330082946.pdf

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Well Status: Oil Well Shut In

Operator: DJR OPERATING LLC

Conditions of Approval

Specialist Review

General_Requirement_PxA_20220330143735.pdf

22N3W11_Bonanza_7_KGR_20220330143713.pdf

2664491_NOIA_7_3004320575_KR_03302022_20220330143701.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: MAR 30, 2022 08:29 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: KENNETH G RENNICK

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647742

BLM POC Email Address: krennick@blm.gov

Disposition: Approved

Disposition Date: 03/30/2022

Signature: Kenneth Rennick

Plug and Abandonment Procedure

for

DJR Operating, LLC

Bonanza 7

API # 30-043-20575

NE/SE, Unit I, Sec. 11, T22N, R3W

Sandoval County, NM

1. Hold Pre job meeting, comply with all NMOCD, BLM and environmental regulations.
2. MIRU.
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 tubing of paraffin.
6. Unset TAC.
7. ND WH, NU BOP, function test BOP.
8. Trip out of hole with 2 3/8" tubing. LD tubing to be sent in for storage/salvage.
9. PU workstring, TIH with bit and scraper, make sure that the bit and scraper will go below 6780'. TOOH.
10. PU and RIH with a 4 ½" cement retainer. Set the CR at +/- 6780'. Roll hole. Pressure test tubing to 1000 psi, sting out of CR, test casing to 600 psi. If casing does not test, contact engineering.
11. RU and RIH with CBL. Run from TOC to surface. Send CBL log to Kenny Rennick krennick@blm.gov, Monica Kueling monica.kueling@state.nm.us, Loren Diede ldiede@djrllc.com, Scott Lindsay slindsay@djrllc.com. Plugs may be adjusted per log run.
12. Plug 1: Dakota perforations: RU cement equipment. Sting back into CR and attempt to mix and pump 10 sx through the CR into the Dakota perforations. If zone pressures up, sting out of CR and continue with Plug 2.

13. Plug 2. Mix and spot a 50' plug on top of retainer from 6780'-6730'. Pump water to ensure tubing is clear.

14. Plug 3. Gallup: Pump a balanced plug from 5650-5550'. Pump water to ensure tubing is clear. TOOH.

15. Plug 4. Mancos: Pump a balanced plug from 4860-4760'. Pump water to ensure tubing is clear. TOOH.

16. Plug 5. Mesa Verde: Pump a balanced plug from 4110-4010'. Pump water to ensure tubing is clear. TOOH.

17. Plug 6. Chacra: RIH with wireline and perforate holes at 3380'. POOH. TIH with CR and set at 3330'. Mix and pump sufficient volume to bring TOC to 3280', inside and outside. Pump water to ensure tubing is clear.

18. Plug 7: Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo: Pump a balanced plug from 2625-2180' Pump water to ensure that tubing is clear. TOOH.

19. Plug 8: Nacimiento: RIH with wireline and perforate holes at 1180'. POOH. TIH with CR and set at 1130'. Mix and pump sufficient volume to bring TOC to 1080' inside and outside. Pump water to ensure tubing is clear.

20. Plug 9: Surface casing shoe: Perforate holes at 320'. Tie onto 4-1/2" casing and mix and pump sufficient volume to bring cement to surface inside and outside 4-1/2" casing.

21. 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.

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

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

Current Wellbore Diagram

DJR Operating, LLC

Bonanza 7

API # 30-043-20575
NE/SE, Unit I, Sec 11, T22N, R3W
Sandoval County, NM

GL	**7187'**
KB	**7200'**
Spud Date	**9/22/1981**

SURF CSG

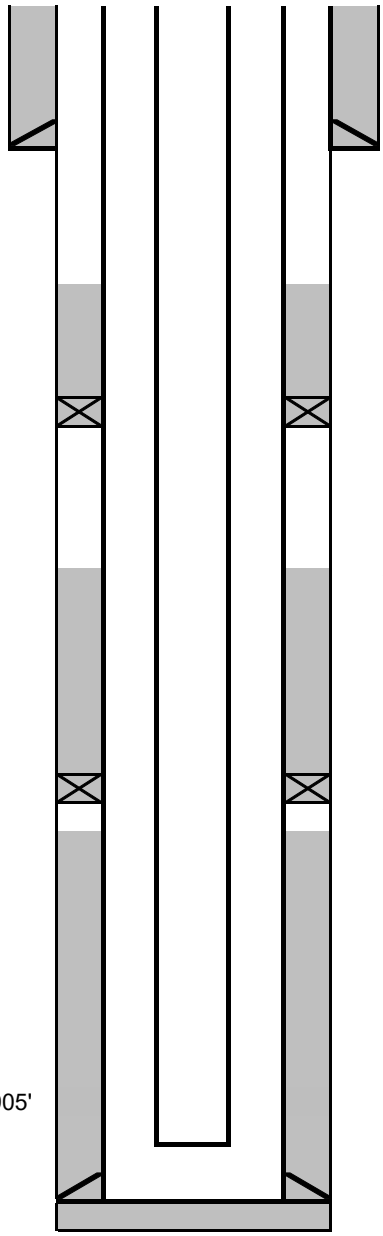
Hole size	12.25"
Csg Size:	8.625"
Wt:	24#
Grade:	N/A
ID:	8.097"
Depth	270'
Csg cap ft^3:	0.3576
TOC:	Surf

PROD CSG

Hole size	7.875"
Csg Size:	4.5"
Wt:	10.5/11.6#
Grade:	K-55
ID:	4.052"
Depth	7035'
Csg cap ft^3:	0.0895
Csg/Csg Ann ft^3:	0.2471
Csg/OH cap ft^3:	0.2278
TOC: Stg 1 (Calc)	5350'
TOC: Stg 2 (Calc)	3550'

FORMATION TOPS

San Jose	Surface
Nacimiento	1130'
Ojo Alamo	2230'
Kirtland	2348'
Fruitland	2470'
Pictured Cliffs	2575'
Lewis	2660'
Chacra	3330'
Mesa Verde	4060'
Mancos	4810'
Gallup	5600'
Dakota	6895'



Prod Tubing Detail:
SN, 206 jts. 2-3/8". EOT tubing at 6890"

Rod Detail
Plunger lift installation

TOC 1300' (TS)

DV Tool at 2626'

TOC 3550' (Calc.)

DV Tool at 4892'
TOC 5350' (Calc.)

Perfs 6792-6905'

PBTD 6962'
TD 7035'

Proposed PxA Wellbore

DJR Operating, LLC

Bonanza 7

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NE/SE, Unit I, Sec 11, T22N, R3W
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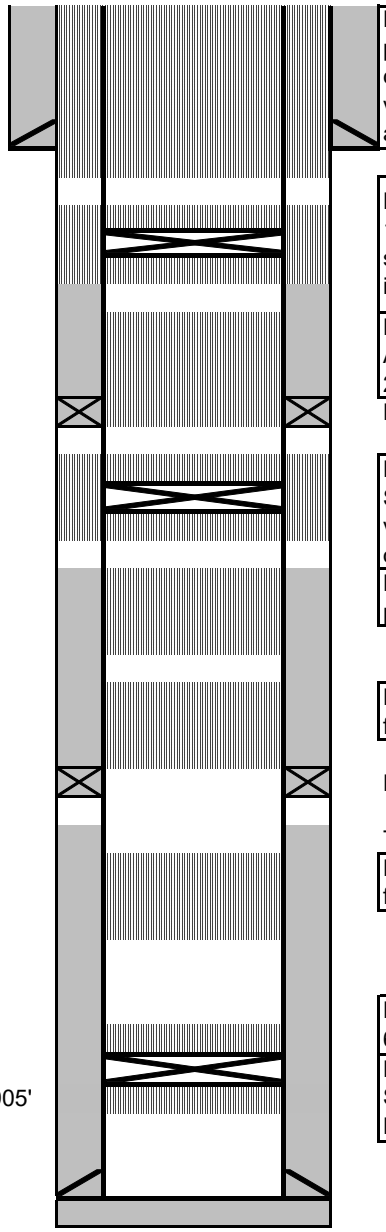

Perfs	6792-6905'
PBTD	6962'
TD	7035'

Plug 9: Surface casing shoe and surface plug: Perf holes at 320'. Tie onto 4-1/2" casing and mix and pump sufficient volume to bring cement to surface, inside and outside.

Plug 8: Nacimiento top: Perf holes at 1180'. Set CR at 1130'. Mix and pump sufficient volume to bring TOC to 1080' inside and outside.

Plug 7: Pictured Cliffs, Fruitland, Ojo Alamo tops: Spot balanced plug from 2625-2180'.

DV Tool at 2626'

Plug 6: Chacra top: Perf holes at 3380'. Set CR at 3330'. Mix and pump sufficient volume to bring TOC to 3280', inside and outside.

Plug 5: Mesa Verde top: Spot balanced plug from 4110-4010'.

Plug 4: Mancos top: Spot balanced plug from 4860-4760'.

DV Tool at 4892'

TOC 5350' (Calc.)

Plug 3: Gallup top: Spot balanced plug from 5650-5550'.

Plug 2: Dakota top: Spot cement from 6780' to 6730' on top of CR.

Plug 1: Dakota perfs: Set CR at 6780'. Squeeze 10 sx cement through CR into Dakota perfs.

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

AFMSS 2 Sundry ID 2664491

Attachment to notice of Intention to Abandon

Well: Bonanza 7

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 at (505) 564-7750.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.

K. Rennick 3/30/2022

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
P&A Geologic Report

Date Completed: 03/30/2022

Well No. Bonanza 7 (API# 30-043-20575)		Location	1850	FSL	&	790	FEL
Lease No. JIC360		Sec. 11	T22N			R3W	
Operator DJR Operating, LLC		County	Sandoval		State	New Mexico	
Total Depth 7035’	PBTD 6962’	Formation	Dakota				
Elevation (GL) 7187’		Elevation (KB)	7200’				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/freshwater sands
Nacimiento Fm			1130		Possible freshwater sands
Ojo Alamo Ss			2230		Aquifer (possible freshwater)
Kirtland Shale			2348		
Fruitland Fm			2470		Coal/Gas/Possible water
Pictured Cliffs Ss			2575		Gas
Lewis Shale			2330		
Chacra			3330		Gas
Cliff House			4060		Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos			4810		Water/Possible gas
Gallup			5600		O&G/Water
Greenhorn					
Graneros Shale					
Dakota Ss			6895		O&G/Water

Remarks:
P & A

Reference Well:

- Dakota perforations 6792 – 6905’.

Prepared by: *Kenneth Rennick*

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 94632

CONDITIONS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838
	Action Number: 94632
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	CBL required	3/31/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	3/31/2022
kpickford	Adhere to BLM approved plugs and COAs. See GEO Report	3/31/2022