

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

Lease Number: JIC39

Sundry Print Report

Unit or CA Number:

Well Name: AXI APACHE C Well Location: T24N / R5W / SEC 33 / County or Parish/State: RIO

SWSW / 36.264757 / -107.371827 ARRIBA / NM

Well Number: 5 Type of Well: CONVENTIONAL GAS Allottee or Tribe Name: WELL JICARILLA APACHE

WELL JICARILLA APACHE

Unit or CA Name:

US Well Number: 3003905214 Well Status: Producing Gas Well Operator: DJR OPERATING LLC

Notice of Intent

Sundry ID: 2674579

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 06/02/2022 Time Sundry Submitted: 10:17

Date proposed operation will begin: 06/02/2022

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

 $NOI_PA_BLM_Submittal_20220602101705.pdf$

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reived by OCD: 6/7/2022 1:17:58 PM Well Name: AXI APACHE C

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ARRIBA / NM

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Allottee or Tribe Name: JICARILLA APACHE

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Unit or CA Name:

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US Well Number: 3003905214

Well Status: Producing Gas Well

Operator: DJR OPERATING LLC

Conditions of Approval

Specialist Review

General_Requirement_PxA_20220607092740.pdf

24N5W33AXIApacheC5KGR_20220607092655.pdf

2674579_NOIA_C_5_3003905214_KR_06072022_20220607092636.pdf

Operator

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

Operator Electronic Signature: SHAW-MARIE FORD Signed on: JUN 02, 2022 10:17 AM

Name: DJR OPERATING LLC Title: Regulatory Specialist Street Address: 1 Road 3263

State: NM City: Aztec

Phone: (505) 632-3476

Email address: sford@djrllc.com

Field

Representative Name:

Street Address:

City: State: Zip:

Phone:

Email address:

BLM Point of Contact

Signature: Kenneth Rennick

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:** 06/07/2022

Plug and Abandonment Procedure

for

DJR Operating, LLC
AXI Apache C 5
API # 30-039-05214

SW/SW, Unit M, Sec. 33, T24N, R5W

Rio Arriba County, NM

I.

- 1. Hold Pre job meeting, comply with all NMOCD, BLM and environmental regulations.
- 2. MIRU 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 1-1/4" IJ" tubing. LD tubing to be sent in for storage/salvage.

II.

- 7. PU bit and 4-1/2" casing scraper on 2-3/8' workstring and make sure it will go past 2230'. TOOH.
- 8. Plug 1: Perforations: PU and TIH with 4-1/2" CR and set near 2230'. Pressure test tubing to 1000 psi. Sting out and pressure test casing to 600 psi. If test fails, call office. Sting back into CR and squeeze below with 10 sx. Sting out. Pump water to ensure that tubing is clear. TOOH.
- 9. MIRU logging truck. Roll hole. Run CBL log from CR to surface. Hold 600 psi on casing if possible. Electronic copy of CBL to be sent to: Ken Renneck, BLM krenneck@blm.gov, Monica Kuehling, NMOCD mkuehling@state.nm.us, Scott Lindsay, DJR slindsay@djrllc.com, and Loren Diede, DJR ldiede@djrllc.com. Plugs may be adjusted based upon CBL results.

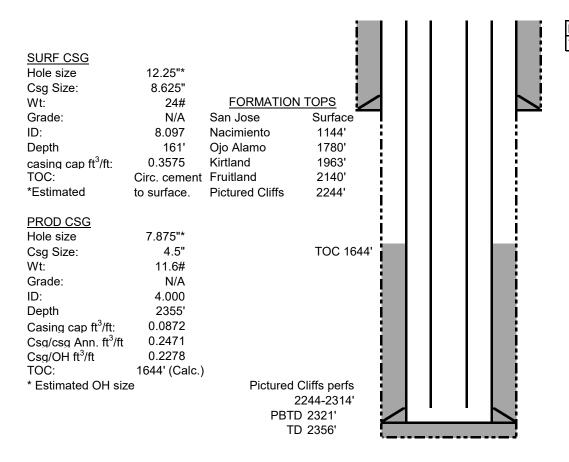
- 10. Plug 2: Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo tops. TIH and spot plug from top of CR to 1730'. Pump water to ensure tubing is clear. TOOH.
- 11. Plug 3. Nacimiento top: Perforate holes at 1194'. PU and TIH with 4-1/2" CR. Set CR near 1144'. Mix and pump sufficient volume to bring TOC to 1094', inside and outside. Pump water to ensure tubing is clear. TOOH.
- 12. Plug 4. Surface casing shoe and surface plug: Perforate holes at 211'. Tie on to 4 ½" casing and mix and pump cement inside and outside from 211' to surface.
- 13. 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.
- 14. RD and MO all rig and cement equipment. Assure that location is free of trash and contamination before moving off.
- 15. 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 it to be installed at surface, 12"x18", and exposed at the reclaimed GL surface.

DJR Operating, LLC
Current Wellbore Diagram
AXI Apache C 5
API # 30-039-05214
SW/SW, Unit M, Sec 33, T24N, R5W
Rio Arriba County, NM

GL 6726' KB 6736' Spud Date 6/15/1956

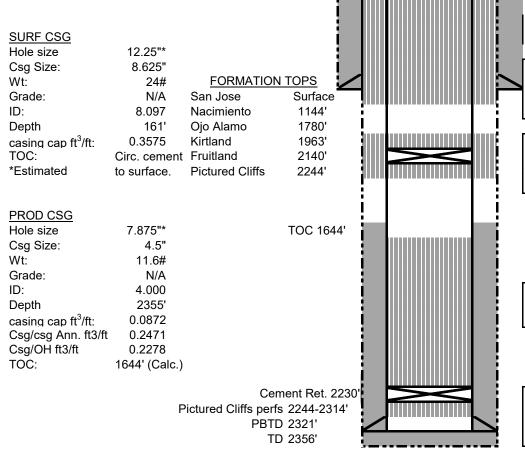


Production Tubing Detail

1-1/4" IJ tubing landed at 2309' (1956 record)

DJR Operating, LLC Proposed Wellbore Diagram AXI Apache C 5 API # 30-039-05214 SW/SW, Unit M, Sec 33, T24N, R5W Rio Arriba County, NM

GL 6726' KB 6736' Spud Date 6/15/1956



Plug 4: Surface shoe and plug: Perf holes at 211'. Tie onto 4-1/2" casing. Mix and pump sufficient volume to bring cement to surface inside and outside.

Plug 3: Nacimiento top: Perf holes at 1194'. Set CR near 1144'. Mix and pump sufficient volume to bring TOC to 1094' inside and outside.

Plug 2: Pictured Cliffs, Fruitland, Kirtland, and Ojo Alamo: Spot plug from CR to 1730'.

Plug 1: Pictured Cliffs perfs: Set CR near 2230'. Attempt to sqz 10 sx cement through CR. Run CBL.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FARMINGTON DISTRICT OFFICE

6251 COLLEGE BLVD. FARMINGTON, NEW MEXICO 87402

AFMSS 2 Sundry ID 2674579

Attachment to notice of Intention to Abandon

Well: Axi Apache C 5

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.

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 6/7/2022

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 <u>minimum general</u> 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.

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- 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.

(October 2012 Revision)

BLM FLUID MINERALS P&A Geologic Report

Date Completed: 06/07/2022

Well No. AXI Apache C 5 (Al	Location:	SWSW				
Lease No. JIC39		Sec. 33	T24N		R5W	
Operator DJR Operating, LLC		County	Rio Arri	ba State	New Mexico	
Total Depth 2356'	PBTD 2321'	Formation	Pictured Cl	liffs		
Elevation (GL) 6726'	Elevation (K	Elevation (KB) 6736'				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/freshwater sands
Nacimiento Fm			1144		Possible freshwater sands
Ojo Alamo Ss			1780		Aquifer (possible freshwater)
Kirtland Shale			1963		
Fruitland Fm			2140		Coal/Gas/Possible water
Pictured Cliffs Ss			2244		Gas
Lewis Shale					
Chacra					Gas
Cliff House					Water/Possible gas
Menefee Fm					Coal/Ss/Water/Possible O&G
Point Lookout Ss					Probable water/Possible O&G
Mancos					Water/Possible gas
Gallup					O&G/Water
Greenhorn					
Graneros Shale					
Dakota Ss					O&G/Water

Remarks: P & A

Reference Well:

- Picture Cliffs perforations 2244 - 2314'.

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

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 114571

CONDITIONS

Operator:	OGRID:
DJR OPERATING, LLC	371838
1 Road 3263	Action Number:
Aztec, NM 87410	114571
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kpickford	CBL required	6/10/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	6/10/2022
kpickford	Adhere to BLM approved plugs and COAs. See GEO Report	6/10/2022