

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

Well Name: AXI APACHE A	Well Location: T23N / R5W / SEC 10 / SWSE /	County or Parish/State: RIO ARRIBA / NM
Well Number: 10	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name: JICARILLA APACHE
Lease Number: JIC77	Unit or CA Name:	Unit or CA Number:
US Well Number: 3003922739	Well Status: Producing Gas Well	Operator: DJR OPERATING LLC

Notice of Intent

Sundry ID: 2686170

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 08/08/2022

Time Sundry Submitted: 06:58

Date proposed operation will begin: 08/08/2022

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_20220808185719.pdf

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Operator: DJR OPERATING LLC

Conditions of Approval

Specialist Review

General_Requirement_PxA_20220810100831.pdf

23N5W10_Axi_Apache_A_10_KGR_20220810100811.pdf

2686170_NOIA_A_10_3003922739_KR_08102022_20220810100758.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: AUG 08, 2022 06:57 PM

Name: DJR OPERATING LLC

Title: Regulatory Specialist

Street Address: 1 Road 3263

City: Aztec

State: NM

Phone: (505) 632-3476

Email address: sford@djrlc.com

Field

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: 08/10/2022

Signature: Kenneth Rennick

Plug and Abandonment Procedure
for
DJR Operating, LLC
AXI Apache A 10
API # 30-039-22739
SW/SE, Unit O, Sec. 10, T23N, R5W
Rio Arriba County, NM

1. Hold pre-job meeting, comply with all NMOCD, BLM and environmental regulations.
2. Check and record 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. ND WH, NU BOP, function test BOP.
5. RU wireline. PU and RIH with gauge ring to 2290'. POOH.
6. Plug 1. Pictured Cliffs: PU 2-1/16" workstring and TIH to 2290'. Spot sufficient volume to bring TOC to 2230'. Pump water to ensure tubing is clear. TOOH.
7. TIH and tag TOC. Load hole and test casing to 600 psi. If casing does not test, contact engineering.
8. MIRU logging truck. Run CBL log from CR to surface. Hold 600 psi on casing if possible. Electronic copy of CBL to be sent to Ken Rennick krennick@blm.gov, Monica Kueling monica.kueling@state.nm.us, Loren Diede ldiede@djrlc.com, and slindsay@djrlc.com. Plugs may be adjusted per log results.
9. Plug 2. Fruitland, Kirtland, and Ojo Alamo: Depending on CBL results, TIH with workstring spot plug from 2148' to 1696', inside. Pump water to ensure tubing is clear. TOOH.
10. Plug 3. Nacimiento, surface casing shoe, surface: RIH with wireline. Perforate holes at 350' (or as indicated by CBL). Tie onto 3-1/2" casing. Establish rate. Mix and pump sufficient cement to bring cement to surface inside and outside 3-1/2" casing.

11. RD cementing equipment. Cut off wellhead, fill annuli with cement, as necessary.
Install 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.
12. RD and MO all rig and cement equipment. Assure that location is free of trash and contamination before moving off.
13. 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.

PxA marker is to be 12"x18", with rounded corners, and installed below grade no deeper than 2'.

DJR Operating, LLC
Current Wellbore Diagram
AXI Apache A 10
 API # 30-039-22739
 SW/SE, Unit O, Sec 10, T23N, R5W
 Rio Arriba County, NM

GL 6819'
 KB 6834'
 Spud Date 8/14/1981

SURF CSG

Hole size 12.25"
 Csg Size: 8.625"
 Wt: 24#
 Grade: K-55
 ID: 8.097"
 Depth 293'
 casing cap ft³/ft: 0.3575
 TOC: Circulated cement to surface.

FORMATION TOPS

San Jose	Surface
Nacimiento	300' (est.)
Ojo Alamo	1746'
Kirtland	1942'
Fruitland	2098'
Pictured Cliffs	2280'

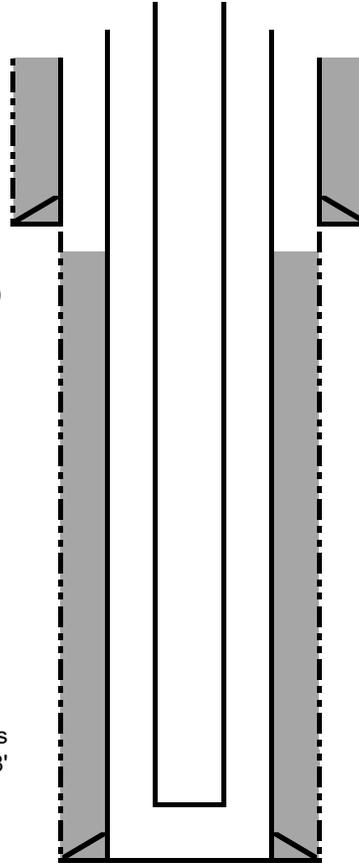
Production Tubing Detail
None

PROD CSG

Hole size 6.5"
 Csg Size: 3.5"
 Wt: 9.3#
 Grade: J-55
 ID: 5.012"
 Depth 2414'
 Casing cap ft³/ft: 0.04883
 Csq/csq Ann. ft³/ft 0.2908
 Csq/OH ft³/ft 0.1636
 TOC: Near Surface (calc.)

Pictured Cliffs perms
 2286-98'

TD 2420'



DJR Operating, LLC
Proposed Wellbore Diagram
AXI Apache A 10
 API # 30-039-22739
 SW/SE, Unit O, Sec 10, T23N, R5W
 Rio Arriba County, NM

GL 6819'
 KB 6834'
 Spud Date 8/14/1981

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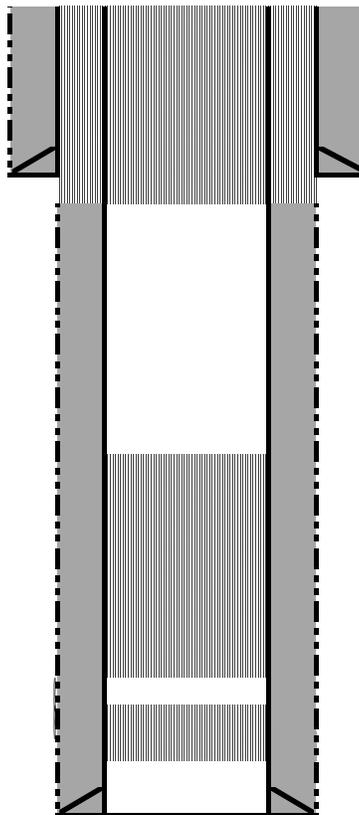
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Pictured Cliffs perms 2286-98'

TD 2420'



Plug 3: Nacimiento, surface casing shoe, surface: Perf holes at 350', if possible. Tie onto 3-1/2" casing. Mix and pump sufficient cement to bring cement to surface inside and outside 3-1/2" casing.

Plug 2: Fruitland, Kirtland, and Ojo Alamo: Based on CBL TOC, depths and volumes may change. Spot cement from 2148-1696' inside.

Plug 1: Pictured Cliffs: Spot sufficient volume to bring cement from 2290-2230'. Run CBL.

**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 H₂S.

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: 08/10/2022

Well No. AXI Apache A 10 (API# 30-039-22739)	Location	SWSE			
Lease No. JIC77	Sec. 10	T23N		R5W	
Operator DJR Operating, LLC	County	Rio Arriba	State	New Mexico	
Total Depth 2420'	PBTD NA	Formation Pictured Cliffs			
Elevation (GL) 6819'	Elevation (KB) 6834'				

Geologic Formations	Est. Top	Est. Bottom	Log Top	Log Bottom	Remarks
San Jose Fm					Surface/freshwater sands
Nacimiento Fm	300				Possible freshwater sands
Ojo Alamo Ss			1746		Aquifer (possible freshwater)
Kirtland Shale			1942		
Fruitland Fm			2098		Coal/Gas/Possible water
Pictured Cliffs Ss			2280		Gas
Lewis Shale					
Chacra					Gas
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

Remarks:
P & A

Reference Well:

- Pictured Cliffs perforations 2286 - 2298'.
- No available raster logs for the Nacimiento Formation. Estimated top by the operator appropriate.

Prepared by: Kenneth Rennick

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

AFMSS 2 Sundry ID 2686170

Attachment to notice of Intention to Abandon

Well: Axi Apache A 10

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 8/10/2022

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 160906

CONDITIONS

Operator: DJR OPERATING, LLC 1 Road 3263 Aztec, NM 87410	OGRID: 371838 Action Number: 160906 Action Type: [C-103] NOI Plug & Abandon (C-103F)
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CONDITIONS

Created By	Condition	Condition Date
kpickford	CBL required	11/29/2022
kpickford	Notify NMOCD 24 Hours Prior to beginning operations	11/29/2022
kpickford	Adhere to BLM approved COAs and plugs. See BLM COAs and GEO report.	11/29/2022