Form 3160-5
(April 2004)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

RECEIVED
2005 JUN 20 PM 2 26
070 FARMINGTON NM

5. Lease Serial No.
SF-079483

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Carson #203

2. Name of Operator
Energen Resources Corporation

9. API Well No.
30-039-27477

3a. Address
2198 Bloomfield Highway, Farmington, NM 87401

3b. Phone No. (*include area code*)
505.325.6800

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

4. Location of Well (*Footage, Sec., T., R., M., or Survey Description*)
705' fsl, 1755' fwl, Sec 06, T30N, R04W, N.M.P.M
SE/SW

11. County or Parish, State
Rio Arriba NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☒ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Energen Resources plans to make the following changes to the Carson #203 well:

* Change the drilling plan from a vertical completion to a horizontal drill plan and completion as indicated on the attached C-102 and directional survey plan.

* Change the setting depth of the 7" intermediate casing string from 3713' (TVD) to 3804' (TVD), 4200' (MD) and cement with 560 sks of lead followed by 125 sks of tail (1253 cu.ft.).

* Change the 5-1/2" production liner to a 4-1/2", 11.6 ppf, J-55 LT&C production liner, and set to 3804' (TVD), 7779' (MD).

HOLD C104 FOR Directional Survey

14. I hereby certify that the foregoing is true and correct
Name (*Printed/Typed*)
Nathan Smith

Title
Drilling Engineer

Date 6/16/05

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Adrienne Brumley

Title Pet. Eng

Date 6/22/05

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office FFO

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

NMOCD

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
811 South First, Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised August 15, 2000

Submit to Appropriate District Office
State Lease – 4 Copies
Fee Lease – 3 Copies

☐ AMENDED REPORT

2005 JUN 20 PM 2 26
RECEIVED
070 FARMINGTON NM

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
	71629	BASIN FRUITLAND COAL

[4] Property Code	[5] Property Name	[6] Well Number
	CARSON	203

[7] OGRID No.	[8] Operator Name	[9] Elevation
162928	ENERGEN RESOURCES CORPORATION	7063'

[10] Surface Location

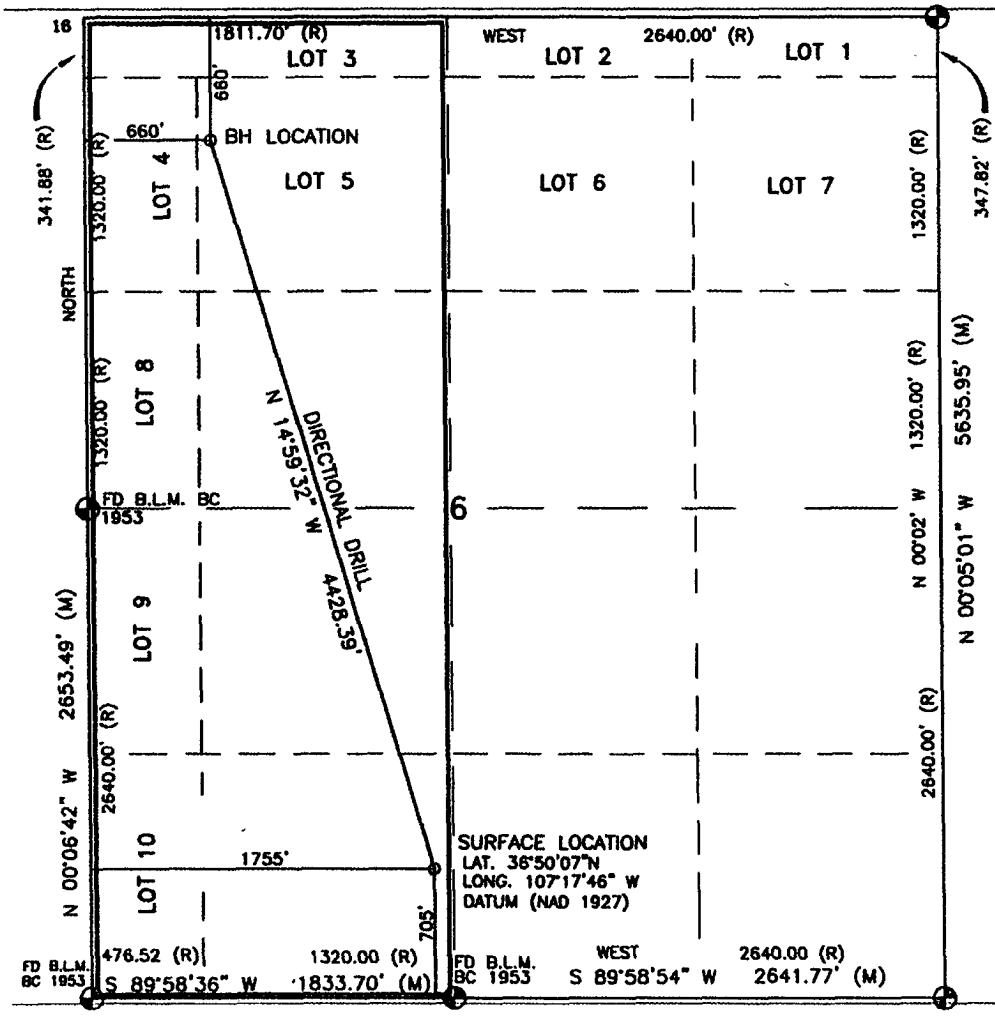
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	6	30N	4W		705'	SOUTH	1755'	WEST	RIO ARRIBA

[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
5	6	30N	4W		660'	NORTH	660'	WEST	RIO ARRIBA

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
232.90 Acres – (W/2)			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Signature

Nathan Smith
Printed Name

Drilling Engineer
Title

6/20/05
Date

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

JUNE 13, 2005
Date of Survey

Signature and Seal of Professional Surveyor:

DAVID B. RUSSELL
NEW MEXICO
10201
REGISTERED PROFESSIONAL LAND SURVEYOR

Certificate Number 10201

Drilling Plan

Revised May 6, 2005

Carson #203

General Information

Location	0705' fsl, 1755' fwl sesw S06, T30N, R04W Rio Arriba County, New Mexico
Elevations	7063' GL
Total Depth	3804' (TVD), 7779' (MD)
Formation Objective	Basin Fruitland Coal

Formation Tops

San Jose	Surface
Nacimiento	1883'
Ojo Alamo Ss	3183'
Kirtland Sh	3383'
Fruitland Fm	3653' (TVD), 3703' (MD)
Intermediate Casing	**3804' (TVD), 4200' (MD)**
Top Coal	3753' (TVD), 3894' (MD)
Bottom Coal	3833' (TVD)
Pictured Cliffs Ss	3833'
Total Depth	**3804' (TVD), 7779' (MD)**

Drilling

The 12 ¼" wellbore will be drilled with a fresh water mud system.
The 8 ¾" wellbore will be drilled with a low solids fresh water/polymer mud system. Weighting materials will be drill cuttings and if needed barite. Mud density is expected to range from 8.3 ppg to 8.9 ppg.
The 6 ¼" wellbore will be drilled with a brine water system from intermediate casing point to total depth.
Blowout Control Specifications:

A 2000 psi minimum double ram or annulus BOP stack will be used following nipple up of casing head. During air drilling operations, a Shaffer Type 50 or equivalent rotating head will be installed on top of the stack. A 2" nominal, 2000 psi minimum choke manifold will also be used. An upper Kelly Cock valve handle and drill string valve should be available to fit each drill string and be available on the rig floor during drilling operations.

Logging Program:

Open hole logs: MWD
Mud Logs: From Intermediate TD to total depth.
Coring: None
Natural Gauges: Surface casing point and as needed for directional surveys.

Tubulars

Casing, Tubing, & Casing Equipment:

String	Interval	Wellbore	Casing	Csg Wt	Grade
Surface	0'-200'	12 ¼"	9 5/8"	32.3 ppf	H-40 ST&C
Intermediate	200'-3804' (TVD) 4200' (MD)	8 ¾"	7"	23.0 ppf	J-55 LT&C
Production	3800'-3804' (TVD) 3935'-7779' (MD)	6 ¼"	4 ½"	11.6 ppf	J-55 LT&C
Tubing	0'-3800 +/-'		2 3/8"	4.7 ppf	J-55

Casing Equipment:

Surface Casing: Depending on wellbore conditions, a Texas Pattern Guide Shoe on bottom. Casing centralization with standard bow spring centralizers to achieve optimal standoff.

Intermediate Casing: Depending on wellbore conditions, a Cement nose guide shoe with self fill insert float collar on top of bottom joint and casing centralization with standard bow spring and rigid centralizers to optimize standoff. Two turbolating centralizers at the base of the Ojo Alamo are recommended.

Wellhead

11" x 9 5/8" 3000 psi Casing Head. 11" x 7 1/16" 3000 psi Christmas Tree.

Cementing

Surface Casing: 125 sks Std (class B) with 1.0 % $CaCl_2$ and ¼ #/sk Flocele (15.6 ppg, 1.18 ft^3/sk 147.5 ft^3 of slurry, 100% excess to circulate to surface). WOC 12 hours. Pressure test surface casing to 600 psi for 30 min.

Intermediate Casing: Before cementing, circulate hole at least 1 ½ hole volumes of mud and reduce funnel viscosity to minimum to aide in hole cleanout. Depending on wellbore conditions, cement may consist of 560 sks 65/35 with 6.0 % Bentonite, 2.0 % $CaCl_2$, 10 #/sk Gilsonite, and ½ #/sk Flocele (12.3 ppg, 1.96 ft^3/sk) and a tail of 125 sks of Standard (Class B) cement with 5 #/sk Gilsonite, and ¼ #/sk Flocele (15.2 ppg, 1.24 ft^3/sk). (1253 ft^3 of slurry, 100 % excess to circulate to surface). WOC 12 hrs. Test casing to 1200 psi for 30 min.

Liner: NO CEMENT

Other Information

1) This well will be an open hole completion.
2) If lost circulation is encountered, sufficient LCM will be added to the mud system to maintain well control. The intermediate string may need to be cemented in multiple stages with a slurry design deviated from that listed above.
3) If high reservoir pressures or water flows are encountered slurry design may need to be deviated to from those listed above to satisfy wellbore and formation conditions.
4) No abnormal temperatures are anticipated, however reservoir pressures may be 1200 psi.
5) This gas is dedicated.

Scientific Drilling

Field: Rio Arriba, NM
Site: Carson (203)
Well: Well #203
Wellpath: Lateral
Plan: Plan #1

ENERGEN

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	3230.00	0.00	0.00	3230.00	0.00	0.00	0.00	0.00	0.00	
3	4131.64	90.00	344.97	3804.00	554.36	-148.85	9.98	344.97	574.00	
4	7778.86	90.00	344.97	3804.00	4076.82	-1094.67	0.00	0.00	4221.23	#203 BHL

Section 6 T30N R4W
SHL
705 FSL,1755 FWL
BHL
660 FNL , 660 FWL

Azimuths to Grid North
True North: -0.32°
Magnetic North: 10.11°

Magnetic Field
Strength: 51513nT
Dip Angle: 63.78°
Date: 2005-06-14
Model: igrf2005

WELL DETAILS

Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
Well #203	0.00	0.00	2123744.39	657215.79	36°50'07.008N	107°17'45.996W	N/A

FORMATION TOP DETAILS

No.	*TVDPath*	*MDPath*	*Formation*
1	*3797.00*	*4041.90*	*Top of Coal*

TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Shape
#203 BHL	3804.00	4076.82	-1095.00	Point