

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
June 19, 2008

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-039-21657
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Energen Resources Corporation		6. State Oil & Gas Lease No.
3. Address of Operator 2010 Afton Place, Farmington, NM 87401		7. Lease Name or Unit Agreement Name: Shipley
4. Well Location Unit Letter <u>G</u> : <u>1840</u> feet from the <u>North</u> line and <u>1840</u> feet from the <u>East</u> line Section <u>33</u> Township <u>24N</u> Range <u>3W</u> NMPM County <u>Rio Arriba</u>		8. Well Number 2
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 7063' GR		9. OGRID Number 162928
		10. Pool name or Wildcat West Lindrith Gallup/Dakota

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Please see the attached for work completed on the casing leak/cement squeeze.

RCVD NOV 19 '12
OIL CONS. DIV.
DIST. 3

Spud Date:

8/14/78

Rig Release Date:

11/15/12

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

SIGNATURE Anna Stotts TITLE Regulatory Analyst DATE 11/15/12

astotts@energen.com

Type or print name Anna Stotts E-mail address: astotts@energen.com PHONE 505-324-4154

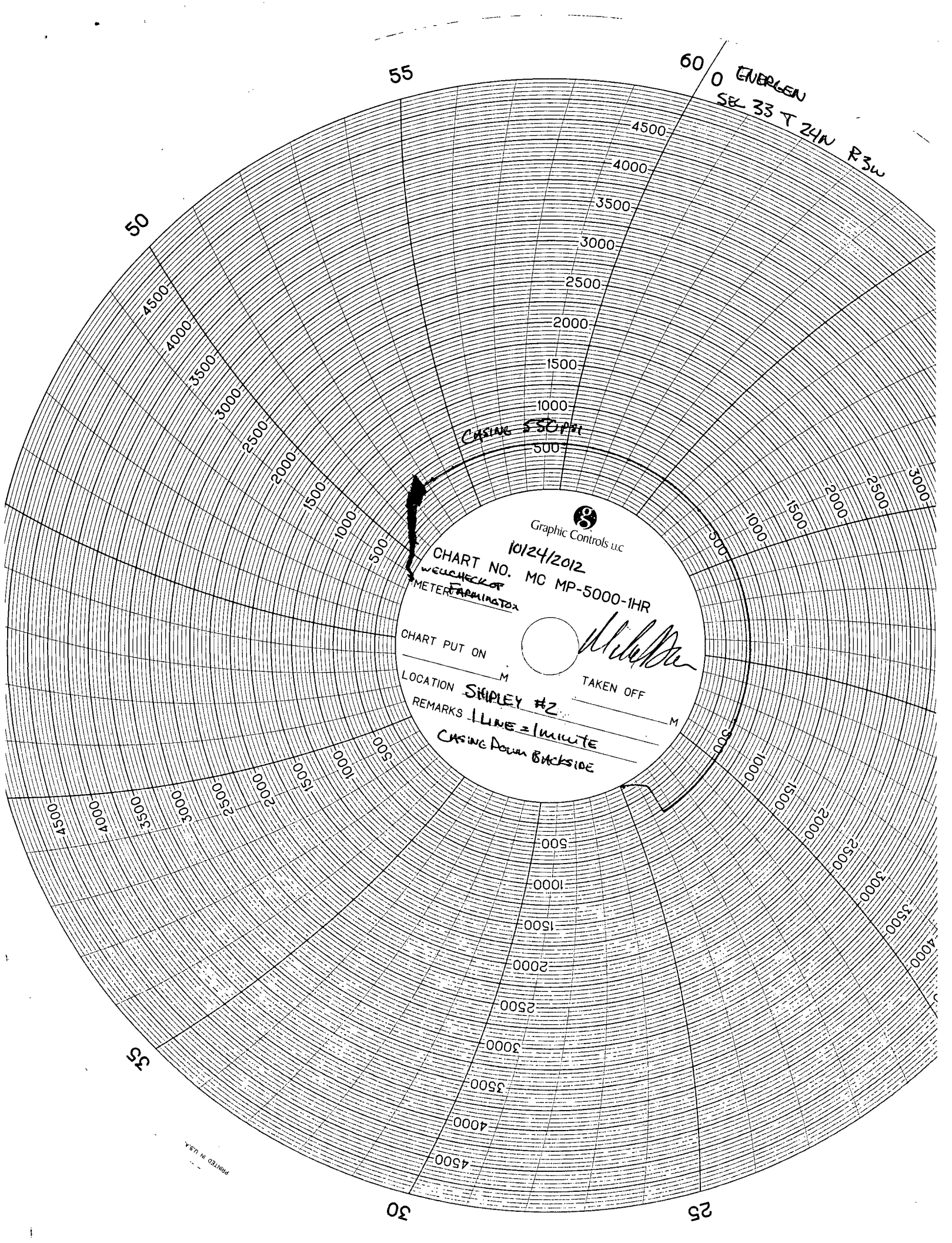
For State Use Only

APPROVED BY B. O. Bell TITLE Deputy Oil & Gas Inspector, District #3 DATE 11/21/12

Conditions of Approval (if any):

AY

- 10/03-05 Set RBP @ 5592'. Isolated csg leak from 5290'-5510'. Received verbal approval from Charlie Perrin (NMOCD) to repair casing.
- 10/6/12 Perform cement squeeze. TIH w/seating nipple & tbg to 5511'. Prep to spot balance plug from 4863'-5511'. Pumped 10 bbls cmt slurry (40 sx-Type 3 @ 14.4ppg; 1.41 cf/sk; 6.92 gal/sk). Pumped 18 bbls displacement to bal (18.5 bbls circ displacement). SD pump. TOO H w/tbg to 4604', est TOC 4863'. Pumped 1.5 bbls to reload after TOO H w/tbg. Pumped additional 1.5 bbls of displacement to squeeze @ 1800#. Hesitate 10 min. Pressure dropped to 1740#. Pumped .5 bbls (2.0 bbls total) to increase squeeze press to 2000#. Hesitated 10 min, press dropped to 1975#. Pumped .5 bbl (2.5 bbls total) to increase squeeze press to 2100# & holding. Est cmt left inside casing 7.5 bbls(30.1 sx). SD well, WOC for 48 hrs.
- 10/9/12 TIH, tagged TOC @ 4924'. Drill out cmt to 5132'. Circ csg until clean.
- 10/10-15 Continue to drill out cmt to 5510'. Circ csg clean.
- 10/24/12 Pressure test casing to 550# for 30 minutes – good test. TOO H w/RBP.
Prepare to add WLGD perms -See Subsq C-103 for report.
- 11/4/12 Unable to get good Pressure test after adding WLGD perms.
- 11/5/12 Received verbal approval from Brandon Powell (NMOCD) to repair casing.
Perform cmt squeeze. Set RBP @ 5569'. Isolate csg leak to 5273'-5550'. Set packer @ 5078' RU rig pump to backside & PT to 500# & hold during cmt job. Pumped 37.8 bbls slurry w/0.3% HR-5 retarder w/.2% Halid 344 fluid loss. (150 sx -14.1ppg, 1.41cf/sk, 6.94 gal/sk). Pumped 7.5 bbs displacement. Press started to climb, but press out @ 1800# & holding. Hesitated 10 min w/no change. SD & unset packer. Switched over to reverse, circ csg & tbg clean. Circ an est. 11.5 bbls (45.7 sk) of cmt. Left 3.1 bbls (12.3 sk) cmt in casing. Squeezed out 23 bbls (92.1 sk) out. TOO H w/tbg to 4822', reset packer. Pressure up tbg to 1000#, held 15 min., holding good, SI. Pressured up csg to 500#, holding, SI. WOC.
- 11/7/12 Drill out cement from 5063'-5248'.
- 11/8/12 Drill out cement from 5248'-5509', test casing. Unable to get good test. Found leak from 5490'-5501'.
- 11/10/12 Performed cement squeeze. TIH open ended to 5504'. Pumped 2.6 bbls of slurry (18sx Fine cem, 12.5ppg, 0.80 cf/sk, 4.7 gal/sk. Pumped 20 bbls for displacement (20.7 bbls calc.) to balance plug. TOO H to 5120'. Pumped additional .75 bbl & pressured up to 800#, hesitated 5 min. w/a 20# loss to 780#. Increase pressure to 1000#, held for 20 min. w/no loss. Increased pressure to 1100#, held for 20 min. with an 8# loss. Circ. csg & tbg clean. Closed pipe rams & pressured up to 1000#, held for 10 min. w/no loss. WOC -48 hrs.
- 11/12/12 TIH, tag cmt @ 5401'. Drill out cmt from 5401'-5451'.
- 11/13/12 Continue drilling out cmt to 5518'. Circ clean. PT csg to 100#, 5 min – good test. Increase pressure to 200#, 5 min – good test. Increase to 300#, 5 min – good test. Increase pressure to 400#, 5 min-good test. Increase pressure to 550#, 5 min-good test. Pressure test to 565# for 30 min.-good test. Circ csg clean.
- 11/14/12 TOO H w/RBP. TIH, w/2.375", 4.7#, J-55 production tbg, set @ 6456'. (CIBP @ 7121')
- 11/15/12 Rig released.



0 EMBLEN
SE 33 T 24N R3W

CASING 550 PSI

Graphic Controls LLC

CHART NO. 10/24/2012
WEICHECK OF MC MP-5000-1HR
METER FARMINGTON

CHART PUT ON _____ M

LOCATION SIMPLY #2

REMARKS 1 LINE = 1 MINUTE

CASING DOWN BACKSIDE



TAKEN OFF *[Signature]*