

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

MAR 12 2013

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

Johnston Field Office
Bureau of Land Management

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

ENERGEN RESOURCES CORPORATION

3a. Address

2010 Afton Place, Farmington, NM 87401

3b. Phone No. (include area code)

505.325.6800

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660' FNL, 660' FEL, Sec.03, T26N, R03W (A)

5. Lease Serial No.

Jicarilla Contract 115

6. If Indian, Allottee or Tribe Name

Jicarilla Apache

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

8. Well Name and No.

Johnston Shear # 1B

9. API Well No.

30-039-26846

10. Field and Pool, or Exploratory Area

Blanco MV
Gavilan PC

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

- ☒ Notice of Intent
- ☐ Subsequent Report
- ☐ Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|--|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other Add PC |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> 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 recomple 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 recomple 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.)

In accordance with Case # 14878, Order # R-13621, Energen Resources intends to downhole commingle the existing Blanco Mesaverde (72319) with Gavilan Pictured Cliffs production (77360). The existing MV perforations are 5507'-5596', 5658'-5786', 5832'-6030'. Energen intends to set a bridge plug above the MV perforations, then perforate and fracture the PC around 3732'-3806'. Once flowback and cleanout is complete, the bridge plug will be drilled out, tubing landed the well will be put back on to production.

Recommended allocation will be by the subtraction method following 60 days of stabilized production. Commingling will not reduce the total remaining productions value. The interest owners are identical for each zone. Rates will be reported to NMOCD-Aztec for final determination.

RCVD MAR 19 '13
OIL CONS. DIV.
DIST. 3

DHC 3807 AZ

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Adam Klem

Title District Engineer

Signature

Date 3/8/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

MAR 13 2013

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

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, NM 88240
District II
1301 W. Grand Avenue, 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 & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|---|--|---|--|---|---------------------------------|
| ¹ API Number 30-039-26846 | | ² Pool Code 77360 | | ³ Pool Name Gavilan Pictured Cliffs | |
| ⁴ Property Code 21937 | | ⁵ Property Name Johnston Shear | | | ⁶ Well Number 1B |
| ⁷ OGRID No. 162928 | | ⁸ Operator Name Energen Resources Corporation | | | ⁹ Elevation 7094' |

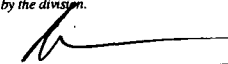
¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|---------------|-----------------|-------------|---------|----------------------|---------------------------|----------------------|------------------------|----------------------|
| UL or lot no. A | Section 03 | Township 26N | Range 3W | Lot Idn | Feet from the 660 | North/South line North | Feet from the 660 | East/West line East | County 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 ROVD MAR 19 '13 | County |
| ¹² Dedicated Acres 160 | | ¹³ Joint or Infill | | ¹⁴ Consolidation Code | | ¹⁵ Order No. R-13621 OIL CONS. DIV. DIST. 3 | | | |

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.

| | | | | | | | |
|---|--|--|--|---|--|---|--|
| <div style="text-align: center; border: 1px solid black; width: 50px; margin: 0 auto;">03</div> | | | | <div style="text-align: center; border: 1px solid black; width: 50px; margin: 0 auto;">660'</div> <div style="text-align: center; border: 1px solid black; width: 50px; margin: 0 auto;">660'</div> | | ¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <div style="display: flex; justify-content: space-between;"><div></div><div>3/8/2013</div></div> <div style="display: flex; justify-content: space-between;"><div>Signature</div><div>Date</div></div> <div style="display: flex; justify-content: space-between;"><div>Adam Klem</div><div></div></div> <div style="display: flex; justify-content: space-between;"><div>Printed Name</div><div></div></div> | |
| | | | | | | ¹⁸ SURVEYOR CERTIFICATION <i>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.</i> <div style="display: flex; justify-content: space-between;"><div>Date of Survey</div><div></div></div> <div style="display: flex; justify-content: space-between;"><div>Signature and Seal of Professional Surveyor:</div><div></div></div> <div style="display: flex; justify-content: space-between;"><div></div><div>Certificate Number</div></div> | |