

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: 7/29/2014

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf. Owner	UL	Sec	Twp	N/S	Rng	W/E
30-039-06106-00-00	JICARILLA 123 C	001	ENERGEN RESOURCES CORPORATION	G	A	Rio Arriba	J	D	7	25	N	4	W

Application Type:

☒ P&A ☐ Drilling/Casing Change ☐ Recomplete/DHC
☐ Location Change ☐ Other:

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations

Provide CBL to agencies for review/ approval prior to cementing

NMOCD Approved by Signature

8-15-2014

Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

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 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)

930' ENL, 830' FWL, Sec. 7, T25N, R04W (D)

5. Lease Serial No.

Jicarilla 123

6. If Indian, Allottee or Tribe Name

Jicarilla Apache

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

8. Well Name and No.

Jicarilla 123 C #1

9. API Well No.

30-039-06106

10. Field and Pool, or Exploratory Area

S. Blanco Pictured Cliffs

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

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☒ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

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 recompleat 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 recompleat 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 plug and abandon the Jicarilla 123 C #1 per the attached procedure.

This will be a closed loop operation. NMCD will be notified 24 hrs prior to commencing operation.

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

OIL CONS. DIV DIST. 3
AUG 08 2014

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Kyle Mason

Title District Engineer

Signature

Date 07/29/14

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Troy Salyers

Title

Petroleum Engineers

Date

8/6/2014

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.

NMOCDFV

PLUG AND ABANDONMENT PROCEDURE

June 16, 2014

Jicarilla 123 C #1

So. Blanco Pictured Cliffs

930' FNL, 830' FWL, Section 7, T25N, R4W, Rio Arriba County, New Mexico

API 30-039-06106 / Long _____ / Lat: _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.

2. Rods: Yes____, No X, Unknown____.
Tubing: Yes X, No____, Unknown____, Size 1-1/4", Length 3406'.
Packer: Yes____, No X, Unknown____, Type _____.

If this well has rods or a packer, then modify the work sequence in step #2 as appropriate. Note: LD 1-1/4" tubing and PU workstring. Round trip gauge ring or casing scraper to 3350' or as deep as possible.

NOTE: BLM requires a CBL log to be run on all wells where the cement did not circulate to surface or where a T.S. or CBL log was not previously run. This procedure is prepared with the understanding that it may be modified based on the TOC from the CBL.

3. **Plug #1 (Pictured Cliffs interval, Fruitland, Kirtland and Ojo Alamo tops 3350' – 2762')**: TIH and set 4.5" CR at 3350'. Pressure test tubing to 1000#. Load casing with water and circulate well clean. Pressure test casing to 800#. *If the casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 49 sxs Class B cement and spot a balanced plug inside the casing above the CR to isolate the Pictured Cliffs interval, Fruitland, Kirtland and Ojo Alamo tops. TOH.

See CoA

4. **Plug #2 (Nacimiento top 1822' – 1722')**: Perforate squeeze holes at 1822'. Attempt to establish rate if the casing pressure tested. TIH and set CR at 1772'. Mix and pump 36 sxs Class B cement, squeeze 24 sxs outside 4.5" casing and leave 12 sxs inside casing to cover the Nacimiento top. TOH and LD tubing.
- 5.
6. **Plug #3 (7-5/8" surface casing shoe, 160' - Surface)**: Perforate 3 squeeze holes at 160'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 45 sxs Class B cement and pump down the 4.5" casing to circulate good cement out bradenhead. Shut in well and WOC.
7. ND cementing valves and cut off wellhead. Fill annuli with cement as necessary. Install P&A marker to comply with regulations. Record GPS coordinate for P&A marker on tower report. Photograph P&A marker in place. RD, MOL and cut off anchors. Restore location per BLM stipulations

Jicarilla 123 C #1

Current

So. Blanco Pictured Cliffs

930' FNL, 830' FWL, Section 7, T-25-N, R-4-W,

Rio Arriba County, NM / API #30-039-06106

Lat _____ / Long _____

Today's Date: 6/16/14

Spud: 7/14/56

Completed: 8/6/56

Elevation: 6993' GL

12-1/4" hole

7-5/8", 24#, J-55 Casing set @ 110'
Cement with 75 sxs (Circulated to Surface)

Nacimiento @ 1772' *est

TOC unknown did not circulate
(Estimated TOC with 75% Calc
at 2665')

Ojo Alamo @ 2812'

Kirtland @ 3036'

Fruitland @ 3190'

1-1/4" 2.3# tubing at 3406'

Pictured Cliffs Perfs.
3390' - 3444'

Pictured Cliffs @ 3388'

6-3/4" hole

4-1/2", 9.5#, used Casing set @ 3513'
Cement with 100 sxs (117 cf)

TD 3513'
PBTD 3483'

Jicarilla 123 C #1

Proposed P&A

So. Blanco Pictured Cliffs

930' FNL, 830' FWL, Section 7, T-25-N, R-4-W,

Rio Arriba County, NM / API #30-039-06106

Lat _____ / Long _____

Today's Date: 6/16/14

Spud: 7/14/56

Completed: 8/6/56

Elevation: 6993' GL

12-1/4" hole

7-5/8", 24#, J-55 Casing set @ 110'
Cement with 75 sxs (Circulated to Surface)

Perforate @ 160'

Plug #3: 160' – surface
Class B cement, 45 sxs

Nacimiento @ 1772' *est

See COA

Set CR @ 1772'

Plug #2: 1722' –1822'
Class B cement, 36 sxs with
24 outside and 12 inside

Perforate @ 1822'

TOC unknown did not circulate
(Estimated TOC with 75% Calc
at 2665')

Ojo Alamo @ 2812'

Kirtland @ 3036'

Plug #1: 3350' –2762'
Class B cement, 49 sxs

Fruitland @ 3190'

Set CR @ 3350'

Pictured Cliffs Perfs.
3390' – 3444'

Pictured Cliffs @ 3388'

6-3/4" hole

4-1/2", 9.5#, used Casing set @ 3513'
Cement with 100 sxs (117 cf)

TD 3513'

PBTD 3483'

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

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Jicarilla 123 C #1

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Leases."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.
3. The following modifications to your plugging program are to be made:
 - a) Set plug #2 (1574-1474) ft. Inside/outside to cover the Nacimiento formation top.

Operator will run a CBL from 3350 ft., or as deep as possible, to verify cement top. Outside plugs may be revised, based on CBL result. Submit electronic copy of the log for verification to the following BLM address: tsalyers@blm.gov

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.