

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

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

Farmington Field Office

SUBMIT IN TRIPLICATE - Other instructions on page 2 of Management Plan.

5. Lease Serial No.

NMSF078197

6. If Indian, Allottee or Tribe Name

OIL CONS. DIV DIST. 3

7. If Unit or CMA Agreement Name and/or No.

OCT 20 2014

8. Well Name and No.

Nye #7

9. API Well No.

30-045-20840

10. Field and Pool, or Exploratory Area
Aztec Pictured Cliffs

11. County or Parish, State

San Juan 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 ☐ Deepen ☐ Production (Start/Resume) ☐ Water Shut-Off
☐ Alter Casing ☐ Fracture Treat ☐ Reclamation ☐ Well Integrity
☐ 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 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 intends to plug and abandon the Nye #7 according to attached downhole and reclamation procedures.

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

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Notify NMOCD 24 hrs
prior to beginning
operations

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

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

Name (Printed/Typed)

Kyle Mason

Title District Engineer

Signature

Date 10/15/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Troy Salvors

Title Petroleum Eng.

Date 10/16/2014

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

NMOCD

Nye #7 Current

Aztec Pictured Cliffs

925' FSL & 1650' FEL, Section 8, T-29-N, R-10-W, San Juan County, NM

Lat: N _____ / Long: W _____ / API #30-045-20840

Today's Date: 6/10/13
Spud: 3/17/72
Completed: 6/16/72
Elevation: 5835' GI

12.25" hole

8-5/8" 24#, J-55 Casing set @ 139'
Cmt with 107 cf (Circulated to Surface)

TOC at 940' (T.S.)

Ojo Alamo @ 1000' *est

Kirtland @ 1102' *est

OIL CONS. DIV DIST. 3

OCT 20 2014

Fruitland @ 1912' *est

Pictured Cliffs @ 2214'

Pictured Cliffs Perforations:
2246' – 2254'

6-3/4" Hole

2-7/8" 6.4#, J-55 Casing set @ 2297'
Cement with 399 cf

TD 2297'
PBTD 2287'

Nye #7
Proposed P&A

Aztec Pictured Cliffs

925' FSL & 1650' FEL, Section 8, T-29-N, R-10-W, San Juan County, NM

Lat: N _____ / Long: W _____ / API #30-045-20840

Today's Date: **6/10/13**
Spud: 3/17/72
Completed: 6/16/72
Elevation: 5835' GI

12.25" hole

8-5/8" 24#, J-55 Casing set @ 139'
Cmt with 107 cf (Circulated to Surface)

Plug #2: 189' - 0'
Class B cement, 65 sxs

TOC at 940' (T.S.)

Ojo Alamo @ 1000' *est

Kirtland @ 1102' *est

Plug #1: 2287' - 950'
Class B cement, 48 sxs
(30% excess, long plug)

OIL CONS. DIV DIST. 3

OCT 20 2014

Fruitland @ 1912' *est

Pictured Cliffs @ 2214'

Pictured Cliffs Perforations:
2246' - 2254'

6-3/4" Hole

2-7/8" 6.4#, J-55 Casing set @ 2297'
Cement with 399 cf

TD 2297'
PBD 2287'

PLUG AND ABANDONMENT PROCEDURE

June 10, 2013

Nye #7

Aztec Pictured Cliffs

925' FSL and 1650' FEL, Section 8, T29N, R10W
San Juan County, New Mexico / API 30-045-20840

Lat: N _____ / Lat: W _____

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 ASTM Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. Project will require an approved Pit Permit (C-103) from the NMOCD.
2. Comply with all NMOCD, BLM and Energen safety rules and regulations. Conduct safety meeting for all personnel on location. MOL and RU daylight pulling unit. NU relief line and blow well down; kill with water as necessary. NU BOP and test.
3. This project requires the Operator to obtain an approved NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
4. Open bradenhead valve. Establish rate down 2.875" casing with 20 bbls water, record pump rate and pressure. Monitor bradenhead for flow. If no flow or blow out the BH valve, then pump 20 - 7/8" RCN balls in additional water and monitor pressure and rate while pumping. Confirm that the perforations are taking water and there is not a casing leak. If the bradenhead flows water or there are other indications of a casing leak, then move rig on location and use 1/4" IJ tubing to plug the well.
5. Rods: Yes _____, No X, Unknown _____;
Tubing: Yes _____, No X, Unknown _____, Size _____, Length _____;
Packer: Yes _____, No X, Unknown _____, Type _____.
6. **Plug #1 (Pictured Cliffs interval, Fruitland Kirtland, Ojo Alamo tops, 2287' – 950'):**
Establish rate into Pictured Cliffs perforations with water. Mix and pump total 48 sxs cement (long plug, 30% excess) and bullhead the down 2.875" casing: first pump 10 sxs cement, then drop 20 RCN balls, then pump 38 sxs cement and do not displace. Double valve and shut in well. WOC. Tag cement at least 50' above Ojo Alamo top.
7. **Plug #2 (8.625" casing shoe, surface, 189' – 0'):** Perforate 2 squeeze holes at 189'. Establish rate into squeeze holes if the casing pressure tested. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 65 sxs cement and pump down the 2.875" casing to circulate good cement out bradenhead. Shut in well and WOC.
8. ND cementing valves and cut off wellhead. Fill 2.875" casing with cement as necessary. Install P&A marker to comply with regulations. RD, MOL, cut off anchors, and restore location.

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: Nye #7

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. Bring the top of plug #1 to 918 ft. to cover the Ojo Alamo formation top. Adjust cement volume accordingly.

Operator must run a CBL from 2287 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

Note: H2S has not been reported at this location; however, very high concentrations of H2S 560 ppm GSV have been reported at the Feuille A #5E well located in the NE/SW of section 4-29N-10W and 1200 ppm GSV have been reported at the Feuille A #5 well located in the NW/SE of section 4-29N-10W. It is imperative that H2S monitoring and safety equipment be on location during the P&A operations at this wellsite.

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.