



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office
1235 La Plata Highway, Suite A
Farmington, New Mexico 87401

IN REPLY REFER TO:
NMSF-079487
3162.3-2 (07100)

Energen Resources Corporation
Attn: Doug Thomas
2198 Bloomfield Highway
Farmington, NM 87401

Dear Mr. Thomas:

Reference is made to the following well on Federal oil and gas lease SF-079487:

ST
San Juan 30-4 Unit 50, located 2360' FSL and 345' FWL, section 22, T30N, R4W, Rio Arriba County, New Mexico.

A Notice of Intent was received by this office on May 20, 2002, requesting approval to change the casing size from 4 1/2" to 5 1/2" casing and modify the cement program accordingly. On May 28, 2002, this office received your Subsequent Report indicating that a change in casing size was made and that 5 1/2" casing had already been set and cemented. This office has no record of prior approval, written or verbal, being given to alter the casing size. This change, without approval, is not in compliance with the Federal Regulations and is considered a violation.

You are in violation of 43 CFR 3162.3-2, which requires prior approval to alter casing. This violation will serve as notice that if actions of this sort occur in the future, on any operations conducted by your company, you will be subject to an assessment. Enclosed you will find your processed Sundry Notice and Subsequent Reports.

Under provisions of 43 CFR 3162.3-2, you may request an Administrative Review of the assessment described above. Such a request, including all supporting documents, must be filed in writing within 20 business days of receipt of this notice and must be filed with the State Director, Bureau of Land Management, P.O. Box 27115, Santa Fe, New Mexico 87502-0115. Such a request shall not result in a suspension of the order(s) unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions regarding the above, please contact Adrienne Garcia at (505) 599-6358 or the undersigned at (505) 599-6367.

Sincerely,

/s/ Jim Lovato

Jim Lovato
Team Lead, Petroleum Management Team

NMOCD(2)
Enclosures (Sundry Notice of Intent and Subsequent Reports)

bcc: well file
suspense
DOMR
07100:AGarcia:6/17/02:Violation:Energen





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