SUBMIT IN TRIPLICATE* **UNITED STATES**

BUREAU OF LAND MANAGEMENT

FORM APPROVED

, K

OMB I	NO.	1004-	013	6
Expires:	Feb	ruary	28,	1995

UNITED STATES	(Other instructions on reverse side)	OMB NO. 1004-0136 Expires: February 28, 1995
DEPARTMENT OF THE INTERIO	OR	5. LEASE DESIGNATION AND SERIAL NO SF - 080657
		31-00003/

/ APPL								
APPLICATION FOR PERMIT TO DRILL OR DEEPEN DRILL X DEEPEN DEEPEN						7. UNIT AGREEMENT NAME San Juan 32-5 Unit		
b. TYPE OF WELL						21976		
OIL U	GAS X OTHER		SINGI ZONI		LE	8. FARM OR LEASE NAME, WELL NO. San Juan 32-5 Unit 111		
2. NAME OF OPERATOR				23456	\geq			
ENERGEN RESOURCES			-	<i>₹</i>	3	9. API WELL NO. 30.039-26637		
 address and telephone 2198 Bloomfield H 		NM 87401	2	JUL 2001		10. FIELD AND POOL, OR WILDCAT		
2198 Bloomfield Highway; Farmington, NM 87401 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirement)						Basin Fruitland Coal		
At surface 1005' FNL, 680' F	:F1		173	UIL CON. DIN		H SEC T. P. M. OPPLY / A Z		
proposed prod. zone				DIST. S		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA (A?)		
	 -		16		100	Seg. 31, T32N, R5W, N.M.P.N		
	DIRECTION FROM NEAREST TOWN			15 15 15 18 18 18 18 18 18 18 18 18 18 18 18 18	المرابعة	12. COUNTY OR PARISH 13. STATE NM		
17 III TES NOT LIT OF	f Gobernador, New Mo ED*	5X1C0	16. NO. OF A	CRES IN LEASE	17. NO. O	F ACRES ASSIGNED		
LOCATION TO NEAREST PROPERTY OR LEASE LIN	E, FT. 600'		117.17		то тні	345.59		
(Also to nearest drig. uni 18. DISTANCE FROM PROPOS	t line, if any) UOU ED LOCATION*		19. PROPOSE		20. ROTAL	RY OR CABLE TOOLS		
TO NEAREST WELL, DRIL OR APPLIED FOR, ON THE	LING, COMPLETED,		3454		Rot	ary		
21. ELEVATIONS (Show whe						22. APPROX. DATE WORK WILL START*		
6654' GL								
23.		PROPOSED CASING	3 AND CEME	NTING PROGRAM				
	1				T	QUANTITY OF CEMENT		
SIZE OF HOLE 12 - 1/4"	GRADE, SIZE OF CASING 9-5/8"	WEIGHT PER FO	11	SETTING DEPTH 200'	130 0	cu. ft., Circ to surface		
8-3/4"	7"	20#		3329'		cu. ft., Circ to surface -		
6-1/4"		20π		3454'		DRILLING OPERATIONS LOTTORIZED AR		
	•	,	·		9	SUBJECT TO COMPLIANCE WITH A FINGE "GENERAL REQUIREMENTS"		
	rforate and sand wa	ter fracture	the Frui	tland Coal.				
This gas is	dedicated. ield Service Pipeli	no POW Plat	ic attack	nad				
A WILLIGHS F	iela service riperi	HE NOW FIAC	13 actaci	icu.		<u>-</u>		
	THIS IS AN EXP	EDITED APD.				# 1 1 1		
						· ~ *		
T' No. 1	en de la companya de La companya de la co	- 6.53 516 5.3				بر بر المراجع		
grand in	was created to 44 CPR	3163.4.						
© £164 → Septy	**************************************							
		***				and now productive zone. If proposal is to drill or		
IN ABOVE SPACE DESCRI deepen directionally, give pe	IBE PROPOSED PROGRAM; rtinent data on subsurface location	ns and measured and	epen, give data I true vertical c	epths. Give blowout pre	one and prop venter progr	oosed new productive zone. If proposal is to drill or am, if any.		
24.	A		0		: F	1/0/01		
SIGNED A ON	Thuham		TITLE UP11	ling & Complet	ion Fore	DATE 179701		
(This space for Federal	or State office use)							
				PPROVAL DATE	6	129/01		
PERMIT NO.	not warrant or carries that the amiliant	ands legal or equipable			9	applicant to conduct operations thereon.		
Application approval does r	·	evices refer or editinante il	we to mose rights	in the subject lease which we	omno ne i			
/a/ Lee Otteni					JUN 29			
	AN FRA CHAIN							
APPROVED BY -						DATE -		
		*See Inst	ructions On	Reverse Side				

PO 8cx 1980, Hobbs, NM 88241-1980

District II PO Drawer DD. Artesia, NM 88211-0719

1000 Rio Brazos Rd., Aztec, NM 87410

District IV PO Box 2088, Santa Fe, NM 87504-2088

'API Number

State of New Mexico Energy, M Marals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe, NM 87504-2088

Revised February 21, 1994 Instructions on back Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

Pool Name

AMENDED REPORT

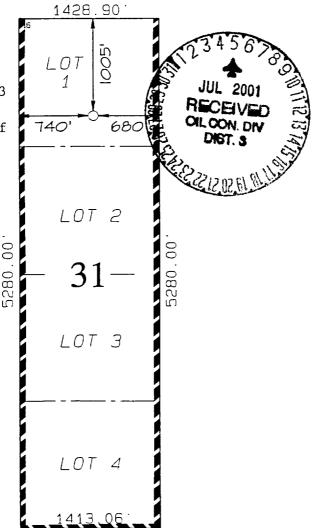
WELL LOCATION AND ACREAGE DEDICATION PLAT

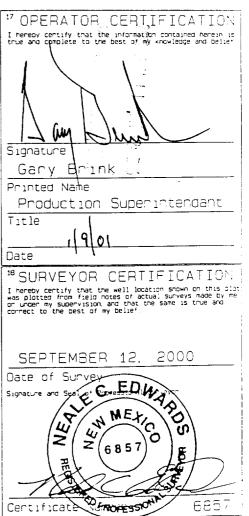
30-03	9.5	2663	\supset	71629		Basin Fruitland Coal			
Property	Code		*Property Name SAN JUAN 32-5 UNIT						well Number 111
'OGRID N 16292	٧٥.		*Operator Name ENERGEN RESOURCES CORPORATION						Elevation 6654
L		!			^{lo} Surface	Location		· ·	
UL or lot no.	Section	Township	Pange	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	31	32N	5W		1005	NORTH	680	EAST	ADDID

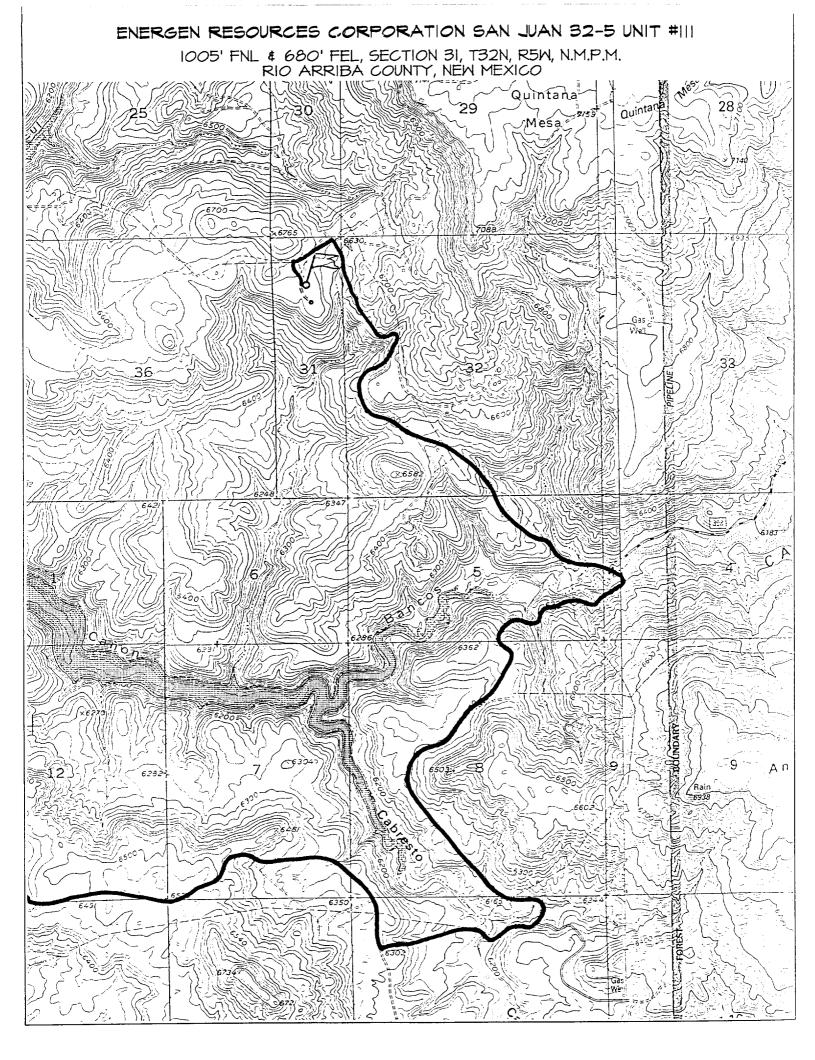
I ARRIBA ! ¹¹Bottom Hole Location Different From Surface Lot Idn North/South line Feet from the UL or lot no. Section Township Feet from the East/West line County NSP For Dakota: R2046 T32N, RSW Tractk 12 Dedicated Acres "Joint or Infill 14 Consolidation Code 345.59

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

Includes Lots 1, 2, 3 and 4 of Sec. 31 and Lots 1, 2, 3 and 4 of 740 Sec. 30







OPERATIONS PLAN

WELL NAME: San Juan 32-5 Unit 111

<u>LOCATION</u>: 1005' FNL, 680' FEL, Section 31, T32N, R5W, Rio Arriba County, NM FIELD: Basin Fruitland Coal <u>ELEVATION</u>: 6654'' GL

FORMATION TOPS:

Surface San Jose
Nacimiento 1409
Ojo Alamo 2704
Kirtland 2819
Fruitland 3224

Total Depth 3444

LOGGING PROGRAM:

Open Hole Logs:

Surface to intermediate: None

Inter TD to total depth: Temp/HRI/CNT, LDT/GR

Mud Logs: Intermediate to total depth

Coring: None

Natural Gauges: Every 500' from intermediate TD to total depth

<u>MUD PROGRAM</u>: Fresh water low solids mud from surface to intermediate TD (9.0 PPG). Air/mist from intermediate casing point to total depth.

CASING PROGRAM:

HOLE SIZE	<u>DEPTH</u>	CSG SIZE	<u>WT.</u>	<u>GRADE</u>
12 1/4"	200'	9 5/8"	36#	J-55 – ST&C
8 3/4"	3329'	7"	20#	J-55 – ST&C
6 1/4"	3454'			

TUBING PROGRAM:

3400' 2 3/8" 4.7# J-55

WELLHEAD: 11" 3000 x 9 5/8" casing head. 11" 3000 x 7 1/16" 3000 xmas tree.

BOP SPECIFICATIONS:

An 11" 2000 psi minimum double gate BOP stack (Figure 1) will be used following nipple up of casing head. During air drilling operations, a Shaffer Type 50 or equivalent rotating head will be installed on top of the stack. A 2" nominal, 2000 psi minimum choke manifold will be used. An upper Kelly Cock valve with handle available and drill string valve to fit each drill string will be available on the rig floor during drilling operations.

CEMENTING:

9 5/8" surface casing - cement with 110 sks Class B Cement with ¼" flocele/sk and 2% calcium chloride (130 cu. ft. of slurry, 100% excess to circulate to surface). WOC 12 hrs. Test casing to 600# for 30 minutes.

Texas Pattern Guide Shoe on bottom. 3 bow type centralizers spaced throughout the string.

7" intermediate casing – cement with 325 sks 65/35 Class B Poz with 6% gel, 2% calcium chloride, 10% gilsonite, and ¼# flocele/sk. Tail with 100 sks Class B w/2% calcium chloride, 10% gilsonite and ¼# flocele/sk. (751 cu. ft. of slurry, 50% excess to circulate to surface). WOC 12 hrs. If cement does not circulate, run temperature survey in 8 hrs. to determine TOC. Test casing to 1200 psi for 30 minutes.

Cement nose guide shoe on bottom with a self-fill insert float valve on top of shoe joint. 10 bow spring centralizers spaced every 2nd joint off bottom. Two turbolating centralizers at the base of the Ojo Alamo.

OTHER INFORMATION:

- 1) The Basin Fruitland Coal will be completed.
- 2) No abnormal temperatures or pressures are anticipated.
- 3) If lost circulation is encountered sufficient LCM will be added to the mud system to maintain well control.
- 4) This gas is dedicated.
- 5) Anticipated pore pressure for the Fruitland is 700 psi.