

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0136
Expires: November 30, 2000

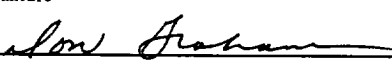
APPLICATION FOR PERMIT TO DRILL OR REENTER

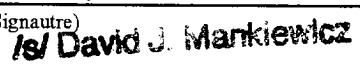
1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF-079090
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Energen Resources Corporation		7. Unit or CA Agreement Name and No. San Juan 32-5 Unit 21996
3a. Address 2198 Bloomfield Highway Farmington, New Mexico 87401		8. Lease Name and Well No. San Juan 32-5 Unit 20
3b. Phone No. (include area code) (505) 325-6800		9. API Well No. 30-039-26907
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 200' FSL, 45' FEL At proposed prod. zone		10. Field and Pool, or Exploratory Blanco Mesaverde
14. Distance in miles and direction from nearest town or post office* 17 miles North of Gobernador, New Mexico		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 22, T32N, R6W, N.M.P.M.
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 45'	16. No. of Acres in lease 480	12. County or Parish Rio Arriba
17. Spacing Unit dedicated to this well E/2	13. State NM	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 50'	19. Proposed Depth 6102'	20. BLM/BIA Bond No. on file
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6320' GL	22. Approximate date work will start* August 2002	23. Estimated duration 12 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Don Graham	Date 1/21/02
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Title Production Superintendent		
Approved by (Signature) 	Name (Printed/Typed) David J. Mankiewicz	Date Jan 24
Title	Office	

Application approval 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.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

*(Instructions on Reverse)

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4.

ONLINE OPS AT THE BUREAU ARE SUBJECT TO COMPLIANCE WITH "FEDERAL RESERVE BANKING ACT"

44000

District I
PO Box 1980, Hobbs, NM 88241-1980

District II
PO Drawer 00, Artesia, NM 88211-0719

District III
1000 Rio Brazos Rd., Aztec, NM 87410

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

State of New Mexico
Energy, Minerals & Natural Resources Department

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

Form C-102
Revised February 21, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26907		*Pool Code 72319	*Pool Name Blanco Mesaverde
*Property Code 21996	*Property Name SAN JUAN 32-5 UNIT		*Well Number 20
*OGRID No. 162928	*Operator Name ENERGEN RESOURCES CORPORATION		*Elevation 6320'

¹⁰ Surface Location

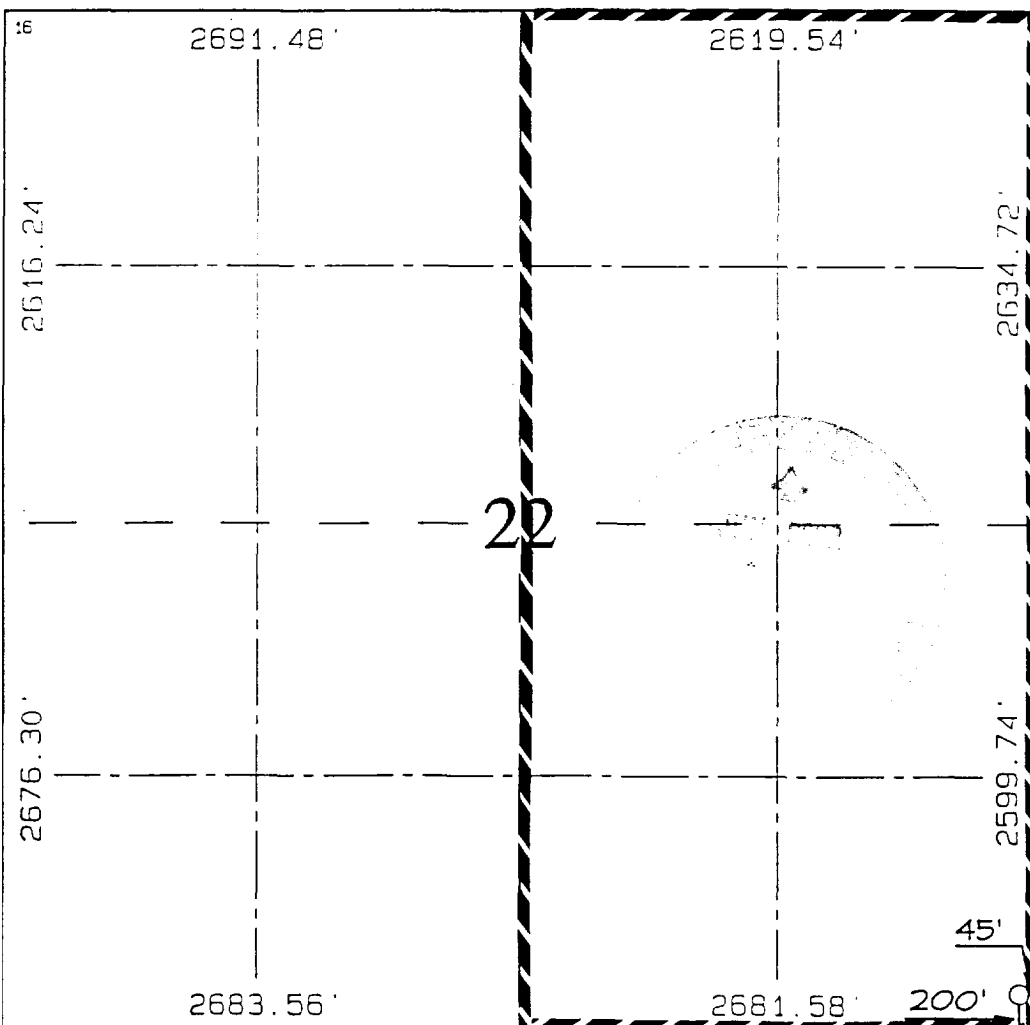
UL or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County
P	22	32N	6W		200	SOUTH	45	EAST	RIO ARriba

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ion	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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



¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Don Graham
Signature

Don Graham
Printed Name

Production Superintendent
Title

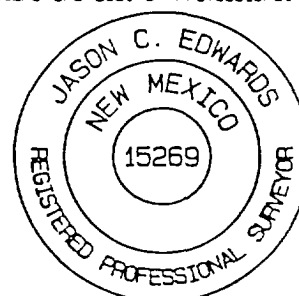
1-21-02
Date

¹⁸ SURVEYOR CERTIFICATION

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.

Survey Date: OCTOBER 29, 2001

Signature and Seal of Professional Surveyor

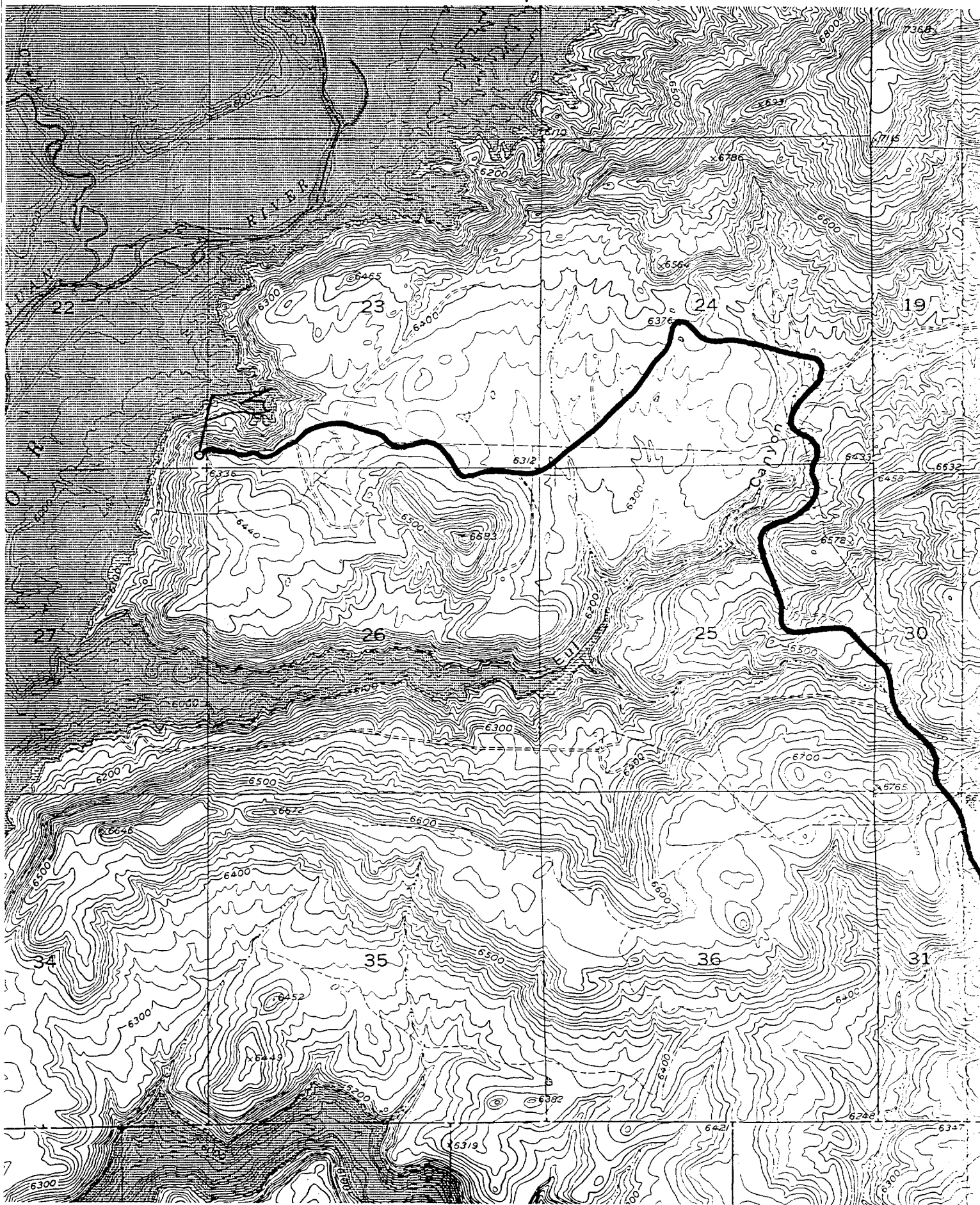


JASON C. EDWARDS

Certificate Number 15269

ENERGEN RESOURCES CORPORATION SAN JUAN 32-5 UNIT #20

200' FSL & 45' FEL, SECTION 22, T32N, R6W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO



OPERATIONS PLAN

WELL NAME: San Juan 32-5 Unit #20

LOCATION: 200' FSL, 45' FEL, Section 22, T32N, R6W, Rio Arriba County, NM

FIELD: Blanco Mesaverde

ELEVATION: 6320' GL

FORMATION TOPS:

Surface	San Jose	Huerfanito Benonite	4127
Nacimiento	967	Cliff House	5022
Ojo Alamo	2247	Menefee	5367
Kirtland	2362	Point Lookout	5552
Fruitland	2727	Total Depth	6102
Pictured Cliffs	3047		
Lewis	3407		

LOGGING PROGRAM:

Open Hole Logs:

Surface to intermediate: None

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

Mud Logs: None

Coring: None

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

MUD PROGRAM: Fresh water low solids mud from surface to intermediate TD (9.0 PPG).

Air/mist from intermediate casing point to total depth.

CASING PROGRAM:

<u>HOLE SIZE</u>	<u>DEPTH</u>	<u>CSG SIZE</u>	<u>WT.</u>	<u>GRADE</u>
12 1/4"	200'	9 5/8"	32.3#	J-55 – ST&C
8 3/4"	3607'	7"	20#	J-55 – ST&C
6 1/4"	3457'-6102	4 1/2"	10.5#	J-55 – ST&C

TUBING PROGRAM:

6000'	2 3/8"	4.7#	J-55
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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.

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 360 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. (814 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.

4 ½" Production Liner

Cement with 325 sks 50/50 Poz with 2% gel, 5 PPS gilsonite, and .4% halad – 9 and ¼# flocele/sk (408 cu. ft., 50% excess to tie into intermediate casing string). WOC 18 hrs. prior to completion.

Cement nose guide shoe on bottom with float collar on top of shoe joint. Liner hanger will have neopreme packoff on top.

OTHER INFORMATION:

- 1) The Blanco Mesa Verde will be completed.
- 2) No abnormal temperatures or pressures are anticipated.
- 3) Anticipated pore pressure for the Mesa Verde is 1000.
- 4) If lost circulation is encountered sufficient LCM will be added to the mud system to maintain well control.
- 5) This gas is dedicated.
- 6) Anticipated pore pressure for the Fruitland is 700 psi and the Pictured Cliffs is 800 psi.