

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
District IV  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico  
Energy, Minerals and Natural Resources  
Oil Conservation Division  
1220 S. St Francis Dr.  
Santa Fe, NM 87505

Form C-103  
Permit 62899

|                                                                                                                                                                                                                                                                                                                                         |  |                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------|
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)<br>1. Type of Well: <input type="radio"/>                                                                                        |  | WELL API NUMBER<br>30-025-38543                             |
|                                                                                                                                                                                                                                                                                                                                         |  | 5. Indicate Type of Lease<br>S                              |
|                                                                                                                                                                                                                                                                                                                                         |  | 6. State Oil & Gas Lease No.                                |
| 2. Name of Operator<br>ENERGEN RESOURCES CORPORATION                                                                                                                                                                                                                                                                                    |  | 7. Lease Name or Unit Agreement Name<br>SAUNDERS DEEP STATE |
| 3. Address of Operator<br>605 21ST STREET NORTH, BIRMINGHAM, AL 352032707                                                                                                                                                                                                                                                               |  | 8. Well Number<br>003                                       |
| 4. Well Location<br>Unit Letter <u>3</u> : <u>990</u> feet from the <u>N</u> line and <u>2200</u> feet from the <u>W</u> line<br>Section <u>3</u> Township <u>15S</u> Range <u>33E</u> NMPM Lea County                                                                                                                                  |  | 9. OGRID Number<br>162928                                   |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>4194 GR                                                                                                                                                                                                                                                                            |  | 10. Pool name or Wildcat                                    |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ |  |                                                             |

|                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                        |
| NOTICE OF INTENTION TO:<br>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/><br>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE OF PLANS <input type="checkbox"/><br>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/><br>Other: _____ | SUBSEQUENT REPORT OF:<br>REMEDIAL WORK <input type="checkbox"/> ALTER CASING <input type="checkbox"/><br>COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/><br>CASING/CEMENT JOB <input type="checkbox"/><br>Other: <b>Drilling/Cement</b> <input checked="" type="checkbox"/> |

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.  
Reached TD of 456' @ 8:00 a.m. 10/16/07. C&C the hole 1/2 hr to run casing and SLMOOH. Ran & cemented 13-3/8" casing. **10/15/2007** Spudded well.

Casing and Cement Program

| Date     | String | Fluid Type | Hole Size | Csg Size | Weight lb/ft | Grade | Est TOC | Dpth Set | Sacks | Yield | Class | 1" Dpth | Pres Held | Pres Drop | Open Hole |
|----------|--------|------------|-----------|----------|--------------|-------|---------|----------|-------|-------|-------|---------|-----------|-----------|-----------|
| 10/16/07 | Surf   | FreshWater | 17.5      | 13.375   | 48           | H-40  | 0       | 456      | 600   | 1.36  | C     |         | 600       |           | Y         |

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed TITLE Regulatory Analyst DATE 10/17/2007  
Type or print name Vicki Donaghey E-mail address vdonaghe@energen.com Telephone No. 505-325-6800

For State Use Only:

APPROVED BY: Paul Kautz TITLE Geologist DATE 10/18/2007 7:51:14 AM