Form 3160-3 · UNITED STA (April 2004) DEPARTMENT OF TH		FORM APPROVED OMB NO. 1004-0137				
BUREAU OF LAND MA		Expires March 31, 2007				
			-	. Lease Serial No.		
() APPLICATION FOR PERMIT TO		SF078502				
la. Type of Work	Type of Work X DRILL REENTER					
1b. Type of Well Oil Well Gas Well O	ther [Single Zone Zon Multiple Zon	1 7	. Unit or CA Agreeme	nt Name and No.	
2. Name of Operator		REC	FIVE	Lease Name and Wel	No.	
Energen Resources Corporation		3b. Phone No. (include area cod	EX 217	Vandewart A 29-8-11 12S		
3a. Address	· · · · · · · · · · · · · · · · · · ·	, , , , , , , , , , , , , , , , , , , ,	Ne) 14 (F-9	9. API Well No. 045 - 227616		
2198 Bloomfield Highway Farmington, New 1 4. /Location of Well (Report location clearly and in accordance v			 -	30-07-	36104	
At surface 660' FSL, 1905' FEL	,	73 M 15 167	110	10. Field and Pool, or Exploratory Basin Fruitland Coal		
, 660° F3L, 1905° FEL) II	11. Sec., T., R., M., or Blk. and Survey or Area		
At proposed prod. zone		FEB S		O-Sec.11,T29N,R08W NMPM		
14. Distance in miles and direction from nearest town or post office	*	(O O O O O O O O O O O O O O O O O O O	3 12	County or Parish	13. State	
14.5 Miles Ne			\sim s	an Juan V	NM	
15. Distance from proposed*		16. No of Acres in lease O/1		ing Unit dedicated to t		
location to nearest		July 1	₩.			
property or lease line, ft. (Also to nearest drg. unit line, if any)		VC > 1840 3123	7	320 E 1/2		
	 	19. Proposed Depth Survey	20 DI N	MIA DandNi E		
18. Distance from proposed location* to nearest well, drilling, completed,	20.BLM	BLM/BIA Bond No. on file				
applied for, on this lease, ft.		32791			*	
2330 .		3219				
21. Elevations (Show whether DF, KDB, RT, GL, etc.	22. Approximate date work will start* 23. Estimated duration			on		
6382' GL		March 05		6	Days	
This action is subject to technical and procedural review pursuant to 43 CFR 3165.5 and appeal pursuant to 43 CFR 3165.4	DRILLING OPERATION 4. Attachments DRILLING OPERATION SUBJECT TO COMPUT CONTRAL REQUIREM			E MILL AT LACTING		
The following, completed in accordance with the requirements of C	Onshore Oil a	nd Gas Order No. 1, shall be attached	to this fo	NERAL RECEIVED	10.	
		1				
 Well plat certified by a registered surveyor. A Drilling Plan 		4. Bond to cover the operation Item 20 above).	ons unles	s covered by an existin	g bond on file (see	
 A Drilling Plan A Surface Use Plan (if the location is on National Forest Syste 	m Lands the	5. Operator certification.				
SUPO shall be filed with the appropriate Forest Service Office		6. Such other site specific inf	formation	and/or plans as may b	required by the	
		authorized officer.				
25. Signuature	Na	nme (Printed/Typed)		Date		
* PV	1				10/0/0004	
Title Trans	<u>D</u>	oug Thomas			12/2/2004	
•						
Drilling Superintendant						
Approved by (Signautre)	Name (Printed/Typed)		Date	Date 2-/6-05		
Title	01	fice	~		-	
AFU FEX						
Application approval does not warrant or certify that the applican	nt holds legal	or equitable title to those rights in the	he subjec	t lease which would e	ntitle the applicant to	
conduct operations thereon.		Janes			sue appioun to	
Conditions of approval, if any, are attached.						
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, ma	ake it a crime	for any nerson knowlingly and willful	ly to mak	e to any denortment o	r agency of the United	
States any false, fictitious or fraudulent statements or representation			, to man	e so any aoparament o	agoney of the Onicu	

*(Instructions on page 2)

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

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

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

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

'API Number

State of New Mexico Energy, Minerals & Natural Resources Department

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

*Pool Code

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

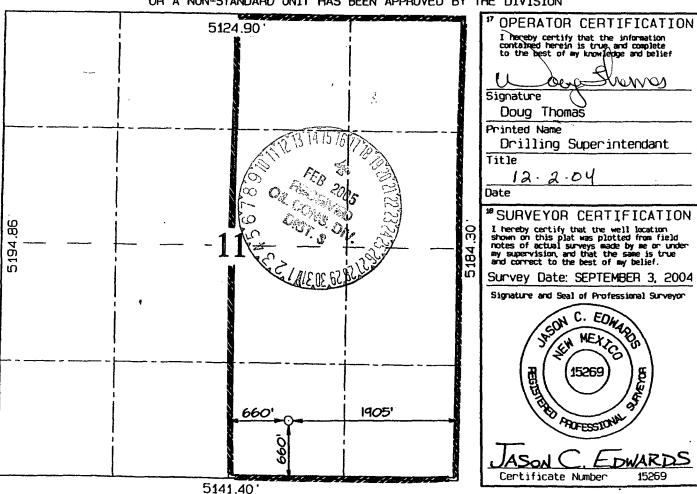
Pool Name

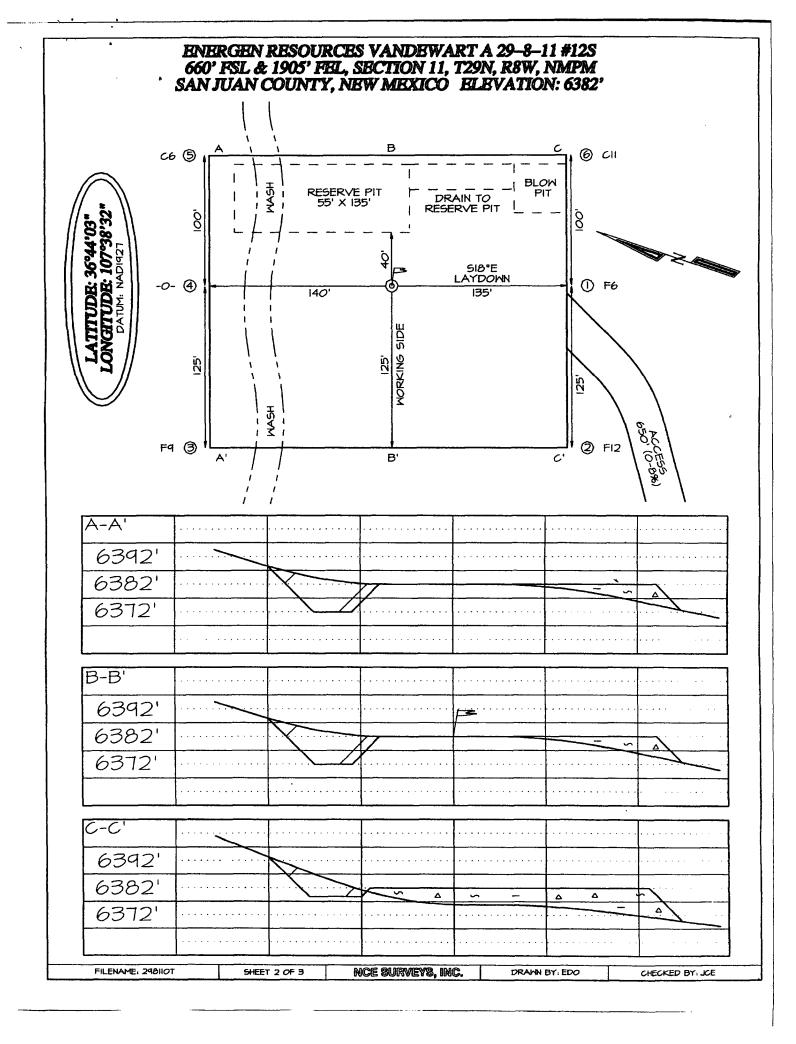
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30.04	5-3	2760	<i>{</i>	71629		BASIN FRUITLAND COAL					
Property	Eode		<u></u>		Property Name			9	Well Number		
3464	9	VANDEWART A 29-8-11							128		
OGRID 1	id.	*Operator Name						•	*Elevation		
16292	8	ENERGEN RESOURCES CORPORATION 6382						6385.			
¹⁰ Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Nest line	County		
0	11	29N	8W		660	S0UTH	1905	EAST	SAN JUAN		
¹¹ Bottom Hole Location If Different From Surface											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
⁸² Dedicated Acres	320	.0 Acres	s - (E,	/2)	¹⁹ Joint or Infill	³⁴ Consolidation Code	⁵ Order No.		1		

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





Operations Plan

October 25, 2004

Vandewart 29-8-11 #12S

General Information

Location 0660' fsl, 1905' fel

S11, T29N, R09W

San Juan County, New Mexico

Elevations 6382' GL

Total Depth 3279' (MD)

Formation Objective Basin Fruitland Coal

Formation Tops

San Jose Surface Nacimiento 724' Ojo Alamo Ss 2044' Kirtland Sh 2234' Fruitland Fm 2784' Top Coal 2834' **Bottom Coal** 3079' Pictured Cliffs Ss 30841 **Total Depth** 3279'

Drilling

The 12 1/4" wellbore will be drilled with a fresh water mud system.

The 7 7/8" wellbore will be drilled with a low solids fresh water/polymer mud system. Weighting materials will be drill cuttings and if needed barite. Mud density is expected to range from 8.9 ppg to 9.5 ppg. Blowout Control 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 stack. A 2" nominal, 2000 psi minimum choke manifold will also be used. An upper Kelly Cock valve handle available and drill string valve to fit each drill string will be available on the rig floor during drilling operations.

Logging Program:

Open hole logs: Surface to TD use Induction/GR and Density logs at TD

Mud logs: Check with Greg Jennings

Coring: None

Natural Gauges: None

Tubulars

Casing, Tubing, & Casing Equipment:

String	Interval	Wellbore	Casing	Csg Wt	Grade
Surface	0'-300'	12 ½"	8 5/8"	24.0 ppf	J-55 ST&C
Production	300'-3279'	7 7/8"	5 ½"	15.5 ppf	J-55 LT&C
Tubing	0'-3200'		2 3/8"	4.7 ppf	J-55

Casing Equipment:

Surface Casing: Texas Pattern Guide Shoe on bottom. 4 bow spring centralizers spaced every other joint from bottom.

Production Casing: Cement nose guide shoe with self fill insert float collar on top of bottom joint. 10 bow spring centralizers spaced every 2nd joint off bottom. Two turbolating centralizers at the bas of the Ojo Alamo.

Wellhead

8 5/8" 2000 x 5 ½" Larkin casing head. 5 ½" 2000 x 2" tubing head.

Cementing

Surface Casing: 225 sks Std (class B) with 2.0 % CaCl₂ and ½ #/sk Flocele (15.6 ppg, 1.18 ft³/sk 246 ft³ of slurry, 100% excess to circulate to surface). WOC 12 hours. Pressure test surface casing to 1000 psi for 30 min.

Production Casing: Before cementing, circulate hole at least 1 ½ hole volumes of mud and reduce funnel viscosity to minimum to aide in hole cleanout. Depending on wellbore conditions, cement may consist of 500 sks 65/35 with 6.0 % Bentonite, 2.0 % CaCl₂, 10 #/sk Gilsonite, and ½ #/sk Flocele (12.3 ppg, 1.96 ft³/sk) and a tail of 225 sks Standard (Class B) with 5.0 #/sk Gilsonite, ¼ #/sk Flocele (15.2 ppg, 1.26 ft³/sk). (1436.5 ft³ of slurry, 100 % excess to circulate to surface).

*** Pump 30 bbls of Flyash spacer/scavenger ahead of lead cement. Check with Halliburton***

Other Information

- 1) This well will be fracture stimulated.
- 2) If lost circulation is encountered, sufficient LCM will be added to the mud system to maintain well control. The production string may need to be cemented in multiple stages with a slurry design deviated from that listed above.
- 3) If high reservoir pressures or water flows are encountered slurry design may need to be deviated to from those listed above to satisfy wellbore and formation conditions.
- 4) No abnormal temperatures or pressures are anticipated/
- 5) This gas is dedicated.

Figure #1

YPICAL B.O.P.E. INSTALLATION FOR A FRUITLAND COAL WELL (Io miermediale TD)

(to informedate TD)

PIPE AAMS

PIPE AAMS

BLIND RAMS

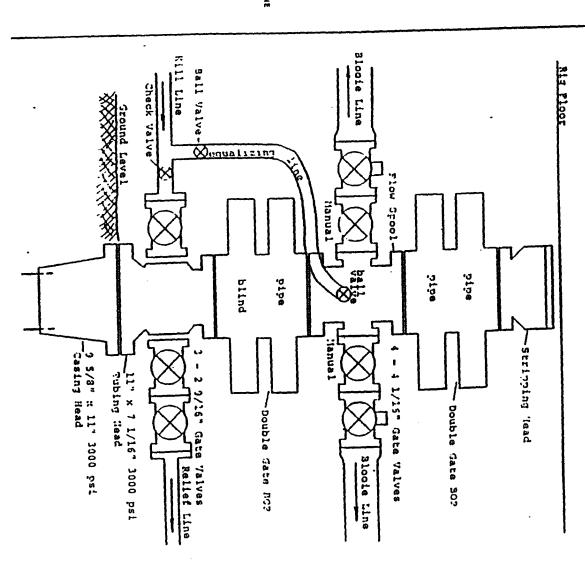
BADBHEAD

Seiles 900 double gale BOP Taled at 3000 psi working pressure

Figure #2

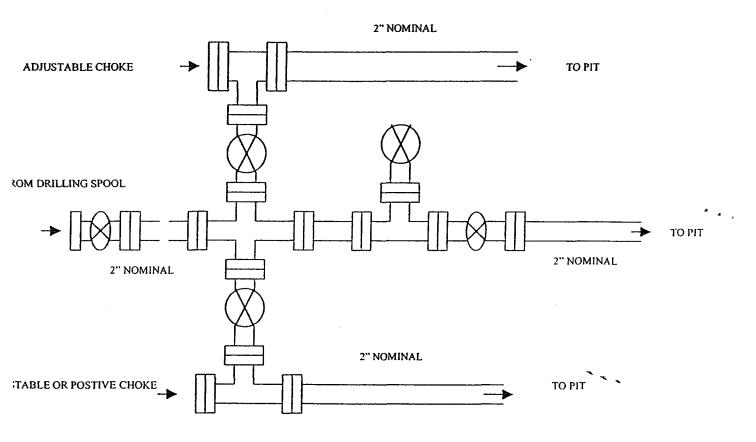
PRUITLAND COAL WELL
TYPICAL BOP CONFIGURATION
7 1/16 3000 psi (minimum) BOP STACK

(from intermediate to total depth)



ENERGEN RESOURCES CORPORATION

Choke Manifold Configuration 2M psi System



Minimum choke manifold installation from surface to Total Depth. 2" minimum, 2000 psi working pressure equipment with two chokes.