

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

AUG 18 2011

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.
USA NMNM29760

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Carracas 14A 16

9. API Well No.
30-039-30842

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

11. County or Parish, State
Rio Arriba NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Energen Resources Corporation

3a. Address
2010 Afton Place, Farmington, NM 87401

3b. Phone No. (include area code)
505-325-6800

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
SHL: 762'FSL 1718'FWL (N) SEC 13-T32N-R05W
BHL: 1100'FSL 100'FWL (M) SEC 14-T32N-R05W

CONDITIONS OF APPROVAL
Adhere to previously issued stipulations.

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

Due to a lost circulation incident during the drilling of the 8 3/4" hole Energen resources will change the cement job on the 7" J-55 23ppf casing as follows:

A hydraulic stage collar will be placed at 3750' MD in the casing string (the Kirtland Shale) and the 7" casing run to 5125' MD. The first stage will consist of 128 sx of PRB II with 5 pps gilsonite and 0.25 pps flocele (13.5 ppg, 1.81 ft³/sx).

The stage tool will be open and circulation established for 4 hours. ✓

After circulating the second stage will consist of a lead 500 sx of PRB II with 5 pps Gilsonite and 0.25 pps Flocele (12.3 ppg, 2.24 ft³/sx) and a tail of 25 sx of PRB II with 5 pps gilsonite and 0.25 flocele (13.5 ppg, 1.81 ft³/sx).

After displacing the rig will WOC for 12 hours and follow the original operations plan. ✓

Verbal approval given by Wayne Townsend 8/18/2011 ✓

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AN OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATION ON FEDERAL AND INDIAN LANDS

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)
Devin Mills

Title Drilling Engineer
Date 8/18/11

Signature

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Troy L. Salyers

Title Petroleum Engineer
Office FFO

Date 8/19/2011

Conditions of approval, if any, are attached. Approval of this notice 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.

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