Form 3160-5 (August 2007)

Approved by

Original Signed: Stephen Mason 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.

UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT**

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

SUNDRY NOTICES AND REPORTS ON WELLS

SEP 10 2012

5. Lease Serial No.

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Do not use this form for proposals to drill or to re-enter an minuton Field Office If Indian, Allottee or Tribe Name

Date

abandoned well. Use Form 3	3160-3 (APD) for suc	th proposals. Bureau of La	and Manage	men.		
SUBMIT IN TRIPLICATE	7. If Unit or CA/Agreement, Name and/or No.					
1. Type of Well Oil Well X Gas Well Other 2. Name of Operator ENERGEN RESOURCES CORPORATION 3a. Address 2010 Afton Plc, Farmington, NM 87401 4. Location of Well (Footage, Sec., T., R., M., or Survey Desc., 850' FSL, 1550' FEL, Sec. 12, T29N, R.	cription)	b. Phone No. (include area code) 505.325.6800		8. Well Name and No. Lackey A 7 9. API Well No. 30-045-21447 10. Field and Pool, or Exploratory Area Aztec Pictured Cliffs 11. County or Parish, State		
12. CHECK APPROPRIATE E	BOX(ES) TO INDICA	TE NATURE OF NO	OTICE, REPO	San Juan NM NM NM NT. OR OTHER DATA		
TYPE OF SUBMISSION			E OF ACTION			
Subsequent Report Final Abandonment Notice Final Abandonment Notice Final Abandonment Notice If the proposal is to deepen directionally or recomplete Attach the Bond under which the work will be perforr following completion of the involved operations. If the testing has been completed. Final Abandonment Notice determined that the final site is ready for final inspection Energen Resources Corporation intended procedure.	e horizontally, give subsurf med or provide the Bond I he operation results in a mu ices shall be filed only afte on.)	Fracture Treat Reclam New Construction Recom X Plug and Abandon Tempor Plug Back Water Description of the Plug Back Water Description on the Plug Back Required and true on the Plug Back Required a multiple completion or recompletion in a fafter all requirements, including reclams		proposed work and approximate duration thereof vertical depths of all pertinent markers and zones. d subsequent reports shall be filed within 30 days a new interval, a Form 3160-4 shall be filed once nation, have been completed, and the operator has		
Notify NMOCD 24 hrs Prior to beginning operations OIL CONS. DIV. DIST. 3						
14. I hereby certify that the foregoing is true and correct Name (Printed Typed)						
Collin Placke		Title Distric	t Engineer			
Signature Colly Place		Date 9/6/2012				
THIS SPACE FOR FEDERAL OR STATE OFFICE USE						

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

Title

Office

PLUG AND ABANDONMENT PROCEDURE

July 27, 2012

Lackey A #7

Undesignated Chacra
850' FSL and 1550' FEL, Section 12, T29N, R10W
San Juan County, New Mexico / API 30-045-21334
Lat: N _____ / Lat: W

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

- Comply with all NMOCD, BLM and Operator safety rules and regulations. Conduct safety
 meeting for all personnel on location. MOL and RU cementing equipment. NU relief line and blow
 well down; kill with water as necessary. NU BOP and test.
- This project requires the Operator to obtain an approved NMOCD C-144 CLEZ Closed-Loop
 System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well
 and cement wash up.
- 3. Open bradenhead valve. Establish rate down 2.875" casing with 20 bbls water, record pump rate and pressure. Monitor bradenhead for flow. If no flow or blow out the BH valve, then pump 10 7/8" RCN balls in additional water and monitor pressure and rate while pumping. Confirm that the perforations are taking water and there is not a casing leak. If the bradenhead flows water or there are other indications of a casing leak, then move rig on location and use 1/4" IJ tubing to plug the well.

4.	Rods: Yes, No <u>X</u> , Unknown;
	Tubing: Yes, NoX_, Unknown, Size, Length;
	Packer: Yes, No _X_, Unknown, Type
	If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

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- 5. Plug #1 (Fruitland interval, Kirtland, Ojo Alamo tops,3452' 1490'): Establish rate into Fruitland perforations with water. Mix and pump total of 88 sxs cement (long plug, 40% excess) and bullhead the down 2.875" casing: first pump 10 sxs cement, then drop 10 RCN balls, then pump 78 sxs cement and do not displace. Double valve and shut in well. WOC. Tag cement.
- 6. Plug #2 (8.625" casing shoe, surface, 185' 0'): Perforate 2 squeeze holes at 185'. Establish rate into squeeze holes if the casing pressure tested. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 75 sxs cement and pump down the 2.875" casing to circulate good cement out bradenhead. Shut in well and WOC.
- 7. ND cementing valves and cut off wellhead. Fill 2.875" casing with cement as necessary. Install P&A marker to comply with regulations. RD, MOL, cut off anchors, and restore location.

Lackey A #7

Current

Undesignated Chacra

850' FSL & 1550' FEL, Section 12, T-29-N, R-10-W, San Juan County, NM Lat: N ______ / Long: W _____ / API #30-045-21334

> TD 3527' PBTD 3517'

Today's Date: **7/27/12** Spud: 3/25/74 Completed: 4/24/74 Elevation: 5871' Gl

12.25" hole

8-5/8" 24#, K-55 Casing set @ 135' Cmt with 112 cf (Circulated to Surface)

TOC at 950' (T.S.)

Ojo Alamo @ 1240' *est

Kirtland @ 1395' *est

Fruitland @ 2089' *est

Pictured Cliffs @ 2320'

Chacra @ 3324'

7-7/8" and 6-3/4" to TD Records do not indicate where hole size changes Chacra Perforations: 3442' – 3452'

2-7/8" 6.4#, J-55 Casing set @ 3527' Cement with 952 cf

Lackey A #7

Current

Undesignated Chacra

850' FSL & 1550' FEL, Section 12, T-29-N, R-10-W, San Juan County, NM

Lat: N _____ / Long: W _____ / API #30-045-21334

Today's Date: **7/27/12** Spud: 3/25/74

Completed: 4/24/74 Elevation: 5871' Gl 12.25" hole

8-5/8" 24#, K-55 Casing set @ 135' Cmt with 112 cf (Circulated to Surface) Perforate @ 185' Plug #2: 185

Plug #2: 185' - 0' Class B cement, 75 sxs

TOC at 950' (T.S.)

Ojo Alamo @ 1240' *est

Kirtland @ 1395' *est

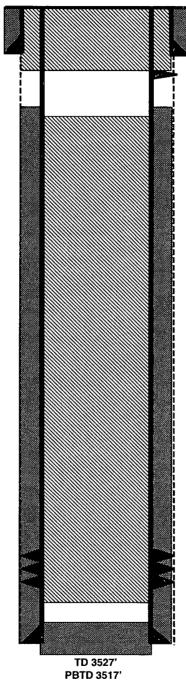
Plug #1: 3452' - 1190' Class B cement, 88 sxs (long plug, 40% excess)

Fruitland @ 2089' *est

Pictured Cliffs @ 2320'

Chacra @ 3324'

7-7/8" and 6-3/4" to TD Records do not indicate where hole size changes



Chacra Perforations: 3442' – 3452'

2-7/8" 6.4#, J-55 Casing set @ 3527' Cement with 952 cf

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FARMINGTON DISTRICT OFFICE

6251 COLLEGE BLVD. FARMINGTON, NEW MEXICO 87402

Attachme	nt t	o no	otice	of
Intention t	to A	\bar	าdon	:

Re: Permanent Abandonment

Well: 7 Lackey A

CONDITIONS OF APPROVAL

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
- 2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.
- 3. The following modifications to your plugging program are to be made:
- a) Bring the top of the Chacra/Pictured Cliffs/Fruitland/Kirtland/Ojo Alamo plug to 5349'.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.