

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

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

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)

890' FSL 800' FWL Sec. 21 T30N R10W (M)

5. Lease Serial No.

NMSE078204

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Sunray D #3

9. API Well No.

30-045-09288

10. Field and Pool, or Exploratory Area

Aztec Pictured Cliffs

11. County or Parish, State

San Juan NM

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

☐ Acidize

☐ Alter Casing

☐ Casing Repair

☐ Change Plans

☐ Convert to Injection

☐ Deepen

☐ Fracture Treat

☐ New Construction

☒ Plug and Abandon

☐ Plug Back

☐ Production (Start/Resume)

☐ Reclamation

☐ Recomplete

☐ Temporarily Abandon

☐ Water Disposal

☐ Water Shut-Off

☐ Well Integrity

☐ Other

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 recomple 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 recomple 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.)

Energen Resources intends to plug and abandon the Sunray D #3 according to attached procedure.

This will be a closed loop operation. NMOC will be notified 24 hrs prior to commencing operations.

OIL CONS. DIV DIST. 3

DEC 23 2014

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

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**



H₂S POTENTIAL EXIST

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

Kyle Mason

Title **District Engineer**

Signature

Date **07/30/14**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by **Troy Salvors**

Title **PE**

Date **12/19/2014**

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.

Office **FFO**

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.

NMOC

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Sunray D #3 Current

Aztec Pictured Cliffs Ext.

890' FSL & 800' FWL, Section 21, T-30-N, R-10-W, San Juan County, NM

Lat: N _____ / Long: W _____ / API #30-045-09288

Today's Date: 5/14/13

Spud: 11/8/58

Completed: 4/16/58

Elevation: 6340' GI

10-3/4" hole

8-5/8" 24#, J-55 Casing set @ 129'
Cmt with 100 sxs (Circulated to Surface)

Nacimiento @ 200' est

Ojo Alamo @ 1531'

Kirtland @ 1678'

1-1/4", 2.4# tubing at 2883'

TOC at 2125'(T.S.)

Fruitland @ 2517'

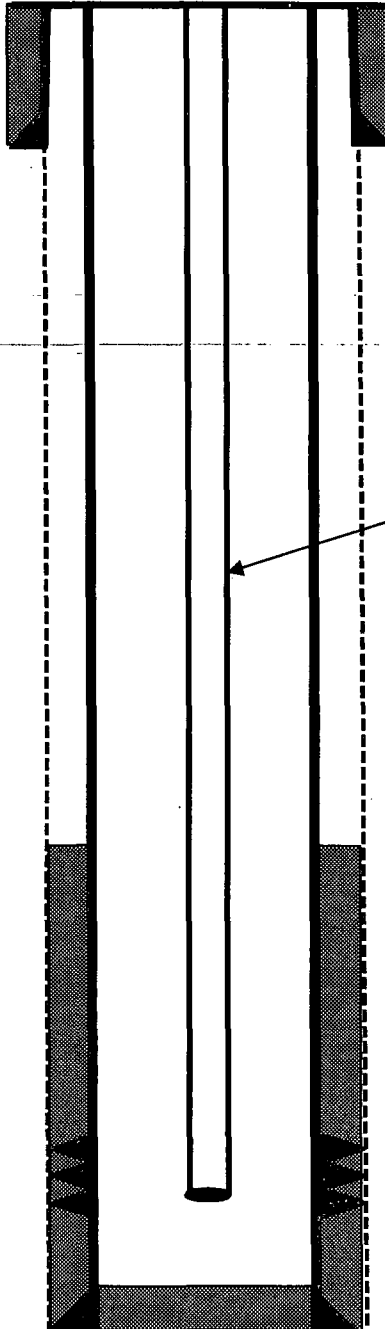
Pictured Cliffs @ 2864'

Pictured Cliffs Perforations:
2864' - 2910'

7-7/8" hole

5-1/2" 15.5#, J-55 Casing set @ 3009'
Cement with 150 sxs

TD 3009'
COTD 2972'



Aztec Pictured Cliffs Ext.

Lat: N _____ / Long: W _____ / API #30-045-09288

TD 3009'
COTD 2972'

PLUG AND ABANDONMENT PROCEDURE

May 14, 2013

Sunray D #3

Aztec Pictured Cliffs Ext.

890' FSL, 800' FWL, Section 21, T30N, R10W, San Juan County, New Mexico

API 30-045-09288 / Long _____ / Lat: _____

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 Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. This project requires a 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.
2. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
3. Rods: Yes _____, No X, Unknown _____.
Tubing: Yes X, No _____, Unknown _____, Size 1-1/4", Length 2883'.
Packer: Yes _____, No X, Unknown _____, Type _____.

If this well has rods or a packer, then modify the work sequence in step #2 as appropriate. Note: LD 1-1/4" tubing and PU workstring. Round trip 5.5" gauge ring or casing scraper to 2834' or as deep as possible.

4. **Plug #1 (Pictured Cliffs interval and Fruitland top, 2834' – 2467')**: TIH and set 5.5" CR at 2834'. Pressure test tubing to 1000#. Load casing with water and circulate well clean. Pressure test casing to 800#. *If the casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 48 sxs Class B cement and spot a balanced plug inside the casing above the CR to isolate the Pictured Cliffs interval and the Fruitland top. TOH.
5. **Plug #2 (Kirtland and Ojo Alamo tops, 1728' – 1481')**: Perforate 3 squeeze holes at 1728'. Attempt to establish rate if the casing pressure tested. Set 5.5" cement retainer at 1678'. Establish rate into squeeze holes. Mix and pump 107 sxs Class B cement, squeeze 73 sxs outside 5.5" casing and leave 34 sxs inside casing to cover the Ojo Alamo top. TOH and LD tubing.
6. **Plug #3 (Nacimiento top, 8-5/8" surface casing shoe, 250' - Surface)**: Perforate 3 squeeze holes at 250'. Establish circulation out bradenhead with water and circulate the BH annulus clean. Mix approximately 90 sxs Class B cement and pump down the 5.5" casing to circulate good cement out bradenhead. Shut in well and WOC.
7. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
6251 COLLEGE BLVD.
FARMINGTON, NEW MEXICO 87402

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: Sunray D #3

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Leases."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 564-7750.

Operator must run a CBL from 2834 ft., or as deep as possible, to verify cement top. Outside plugs may be revised, based on CBL result. Submit electronic copy of the log for verification to the following BLM address: tsalyers@blm.gov

Note: High concentrations of H₂S 800 ppm STV have been reported at the Sunray D #1 well with is a twinned well on this location. It is imperative that H₂S monitoring and safety equipment be on location during the P&A operations at this wellsite.

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.

P&A Field Inspection Sheet

Date 10-3-14

Specialist Bob Switzer

Operator Emergen Resources

Well Name & Number SUNRAY D #3

API Number 30-045-09288

Section 21 Township 30N Range 10W

Lease Number SF NO 078204

Footage 890 FSL & 800 FWH

Surface: ☒ BLM ☐ BOR ☐ State

County SAN JUAN State NM

Enterprise meter # 72.126.01, PH# 1-800-203-1347 LAT 36.79283 - 107.273672
 Conoco-Phillips 505-599-4300 Well pad

Topography 1-800-688-0158

Stockpile Topsoil ☐ Yes ☒ No

Soil Type _____

Vegetation Community Pinon Juniper

- 1 _____
- 2 _____
- 3 _____
- 4 _____
- 5 _____
- 6 _____
- 7 _____

Vegetation Cages: ☐ Yes ☒ No

Facilities on Location: ☐ Tanks, ☐ Meter Runs, ☐ Separators, ☐ Compressor, ☐ Day tanks, Pipeline Riser ☐ Yes ☒ No

Gravel Present: ☒ Yes ☐ No Bury ☐ Yes ☐ No Main Road clean up Gravel

Steel Pits: Above Grade/ Below Grade: Where on Location _____

Cathodic Groundbed on Location: ☒ Yes ☐ No In Service ☐ Yes ☐ No Abandoned ☐ Yes ☐ No Plugged ☐ Yes ☐ No

Remove Wire ☐ Remove Rectifier ☐

Trash on Location ☐ Yes ☒ No Power Poles Present ☐ Yes ☒ No Remove Power Poles ☐ Yes ☐ No

Construct Diversion Ditch ☐ Above ☐ Below ☐ Around

_____ side draining _____

Contaminated Soil Present: ☐ Yes ☐ No

_____ side draining _____

Remove: ☐ Yes Where on Location _____

Construct Silt Trap (s) _____

Re-contour Disturbed Areas to Natural Terrain: ☒ Yes ☐ No

Special Features _____

Location & Access Barricade ☐ Yes ☒ No How _____

Construction Comments/Concerns _____

Access Road

Access Length NONE Remediation Methods: ☐ RIP ☐ Disk ☐ Water Bars ☐ Re-establish Drainages,

Other _____

Access Condition ☐ Below grade ☐ Above grade ☐ Other _____

Culverts: ☐ Yes ☒ No Cattle Guard: ☐ Yes ☒ No Reconstruct Fence: ☐ Yes ☒ No Surfacing Material: ☐ Yes ☒ No

What to do w/ Material _____

Road Comments/ Concerns NA

Billy Staleup

Eugene Burbanks

Bob Schmidt

James

P&A RECLAMATION PLAN

Sunray D#3

General Notes:

- Energen will comply with the requirements in accordance with the approved Sundry Notice associated with this submittal.
- Energen will notify the BLM at least 48 hours prior to commencing reclamation earthwork.
- Energen will notify the BLM at least 48 hours prior to commencing with seeding application.
- Underground production piping on the well site will be removed or abandoned-in-place.
- If present, all Energen power poles, rectifiers, solar panels, and radio equipment will be removed. Cathodic groundbeds will be plugged and abandoned.
- Rig anchors found on site will be removed.
- Disturbance will be limited to the well site footprint and access road boundaries.
- Surface equipment and trash, if any, will be removed.
- If present, gravel will be removed from the well pad surface. Gravel may be used as fill material at the base of the cut slope or on a nearby lease road as road-base.
- The P&A marker will be permanent and comply with NMOCD regulations.

Well Site Reclamation:

- Mature healthy vegetation on the site will be left to the extent practical.
- Dirtwork is necessary to re-contour slopes.
- Existing drainage patterns will not be changed.
- The well pad and surrounding area are relatively flat. The need for stormwater and erosion control BMPs other than reseeding is not anticipated.
- All disturbed areas will be seeded in accordance with the FFO Bare Soil Reclamation Procedure C.
- The pad will be disked/scarred to a depth adequate for establishing a suitable root zone.
- Prior to seeding, the disturbed areas will be left with a rough surface to facilitate moisture and seed retention.

Access Road Reclamation:

- No

Revegetation:

Onsite Noxious Weed Form

If noxious weeds are found during the onsite, fill out form and submit to FFO weed coordinator

Operator Energen Resources Surveyor(s) Bob Switzer

Well Name and Number SUNRAY D # 3 Date 10-3-14

Location: Township, Range, Section Sec 21 - T 30 N - R 10 W

Location of Project NAD 83 Decimal Degrees Lat 36.79283 - 107.89562

Class A Noxious Weed – Check Box if Found

<input type="checkbox"/>	Alfombrilla	<input type="checkbox"/>	Diffuse knapweed	<input type="checkbox"/>	Hydrilla	<input type="checkbox"/>	Purple starthistle	<input type="checkbox"/>	Yellow toadflax
<input type="checkbox"/>	Black henbane	<input type="checkbox"/>	Dyer's woad	<input type="checkbox"/>	Leafy spurge	<input type="checkbox"/>	Ravena grass	<input type="checkbox"/>	
<input type="checkbox"/>	Camelthorn	<input type="checkbox"/>	Eurasian watermilfoil	<input type="checkbox"/>	Oxeye daisy	<input type="checkbox"/>	Scotch thistle	<input type="checkbox"/>	
<input type="checkbox"/>	Canada thistle	<input type="checkbox"/>	Giant salvinia	<input type="checkbox"/>	Parrotfeather	<input type="checkbox"/>	Spotted knapweed	<input type="checkbox"/>	
<input type="checkbox"/>	Dalmation toadflax	<input type="checkbox"/>	Hoary cress	<input type="checkbox"/>	Purple loosestrife	<input type="checkbox"/>	Yellow starthistle	<input type="checkbox"/>	

Class B Noxious Weed – Check Box if Found

<input type="checkbox"/>	African rue	<input type="checkbox"/>	Perennial pepperweed	<input type="checkbox"/>	Russian knapweed	<input type="checkbox"/>	Tree of heaven
<input type="checkbox"/>	Chicory	<input type="checkbox"/>	Musk thistle	<input type="checkbox"/>	Poison hemlock	<input type="checkbox"/>	
<input type="checkbox"/>	Halogeton	<input type="checkbox"/>	Malta starthistle	<input type="checkbox"/>	Teasel	<input type="checkbox"/>	

Comments:

No Noxious weeds were observed.

FFO Representative: _____

sign and date

Operator Representative _____

sign and date

Bob Switzer 10-6-14

- After establishment of adequate vegetation, Energen will read the line point intercept transect and take photos of the site. This information will be submitted with a Sundry Notice (FAN) requesting approval of the reclaimed location.
- Any fencing installed to assist with re-vegetation will be removed once there is an agreement from the BLM that the vegetation percent cover standard has been obtained.

Attachments:

- Reference Photos of site, dated 10/3/14
- Noxious Weed Form

