

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0136
Expires January 31, 2004

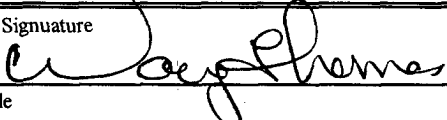
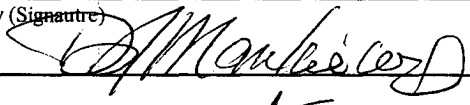
APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | | |
|--|--|--|--|
| 1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 04 JUN 30 AM 10:12 | |
| 1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | BLM ALBUQUERQUE, N.M. | |
| 2. Name of Operator Energen Resources Corporation | | 5. Lease Serial No. Jicarilla Contract 117 | |
| 3a. Address 2198 Bloomfield Highway, Farmington, NM 87401 | | 6. If Indian, Allottee or Tribe Name Jicarilla Apache | |
| 3b. Phone No. (include area code) 505-325-6800 | | 7. Unit or CA Agreement Name and No. | |
| 4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 2515' FNL, 565' FWL At proposed prod. zone | | 8. Lease Name and Well No. Jicarilla 117E 9B | |
| 14. Distance in miles and direction from nearest town or post office* 9 miles northwest of Lindrith, NM | | 9. API Well No. 30-039-29295 | |
| 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 565' | | 10. Field and Pool, or Exploratory Blanco Mesaverde | |
| 16. No. of Acres in lease 2560.00 | | 11. Sec., T., R., M., or Blk. and Survey or Area E - Sec. 33, T26N, R03W - NMPM | |
| 17. Spacing Unit dedicated to this well 320 W 1/2 | | 12. County or Parish Rio Arriba | |
| 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1200' | | 13. State NM | |
| 19. Proposed Depth 6547' | | 20. BLM/BIA Bond No. on file | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 7360' GL | | 22. Approximate date work will start* December 2004 | |
| | | 23. Estimated duration 12 days | |

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

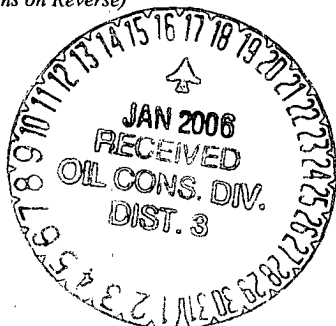
- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

| | | |
|--|-------------------------------------|------------------|
| 25. Signature  | Name (Printed/Typed) Doug Thomas | Date 06/29/04 |
| Title Drilling Superintendent | | |
| Approved by (Signature)  | Name (Printed/Typed) AFM | Date 1/18/06 |
| Title AFM | | |
| Office PFO | | |

Application approval 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.
Conditions of approval, if any, are attached.

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

*(Instructions on Reverse)



HOLD C104 FOR NSL

NMOCD

| | |
|-------|-----|
| AFMSS | |
| Adjud | amy |
| Engr | |
| Geol | |
| Surf | |
| Appd | |

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

District II
PO Drawer 00, Artesia, NM 88211-0719

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

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

State of New Mexico
Energy, Minerals & Natural Resources Department

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | |
|-----------------------------|---|---------------------|--------------------------------|
| *API Number 30-039-29295 | | *Pool Code 72319 | *Pool Name BLANCO MESAVERDE |
| *Property Code 21943 | *Property Name JICARILLA 117E | | *Well Number 9B |
| *GRID No. 162928 | *Operator Name ENERGEN RESOURCES CORPORATION | | *Elevation 7360' |

¹⁰ Surface Location

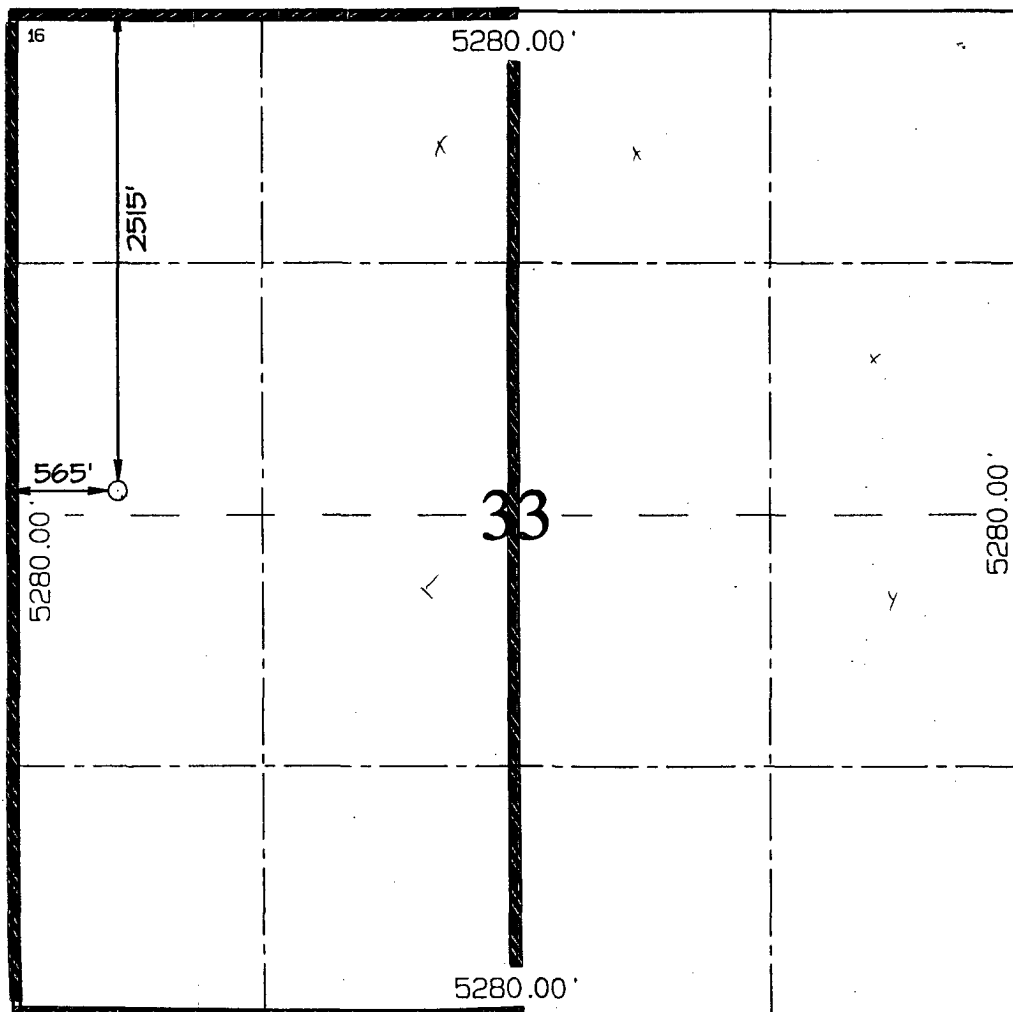
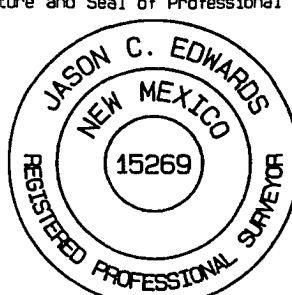
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|------------|
| E | 33 | 26N | 3W | | 2515 | NORTH | 565 | WEST | RIO ARriba |

¹¹ Bottom Hole Location If Different From Surface

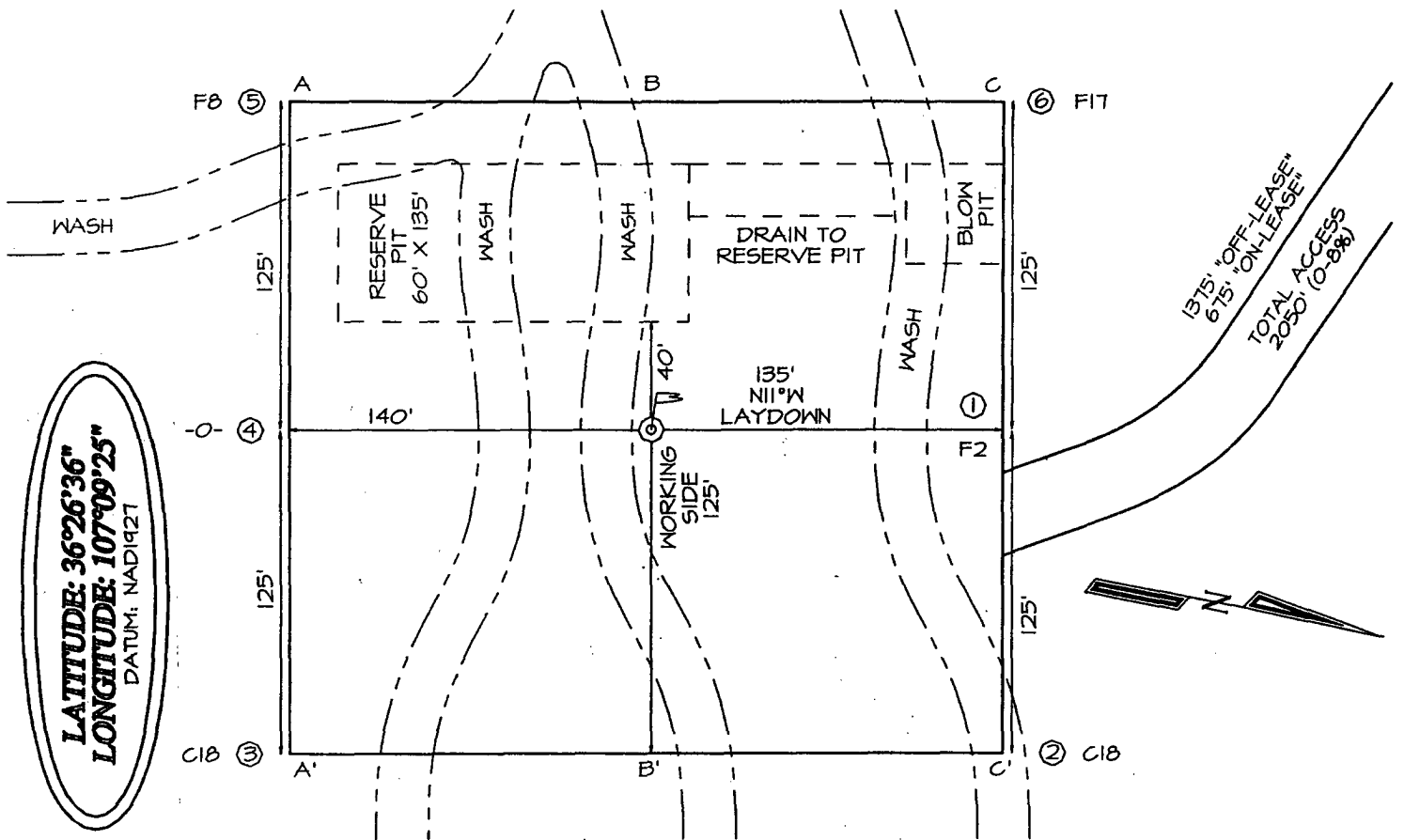
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|--|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 320.0 Acres - (W/2) | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|--|-------------------------------|----------------------------------|-------------------------|

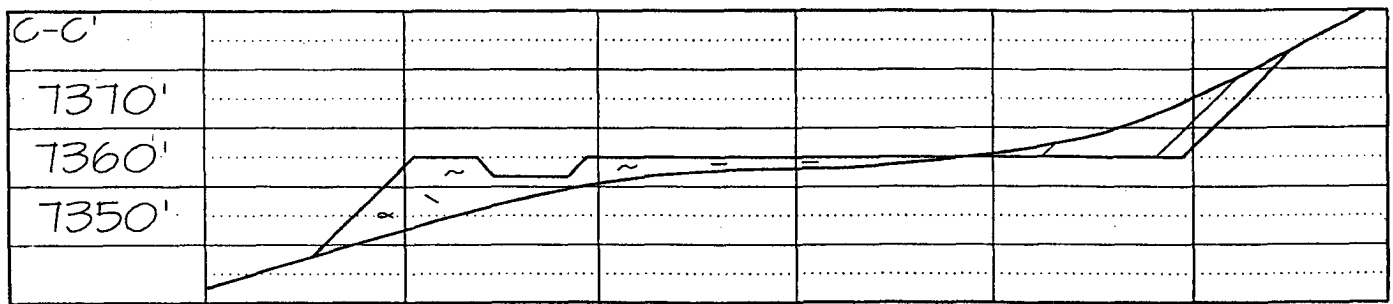
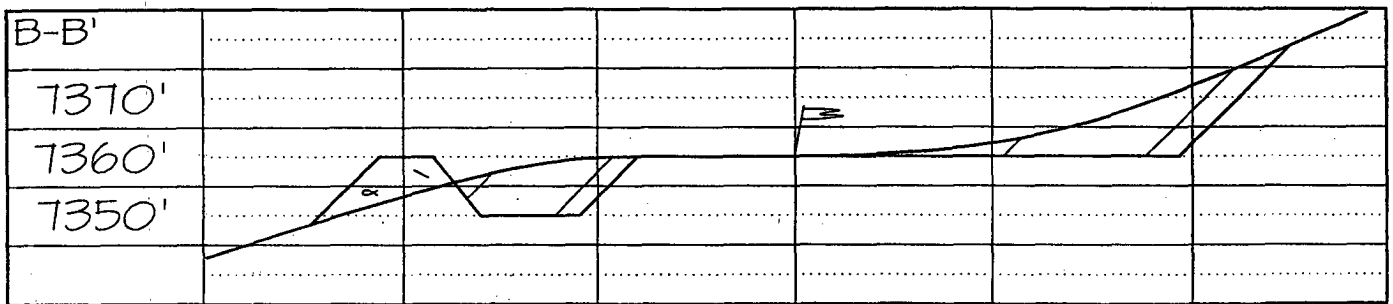
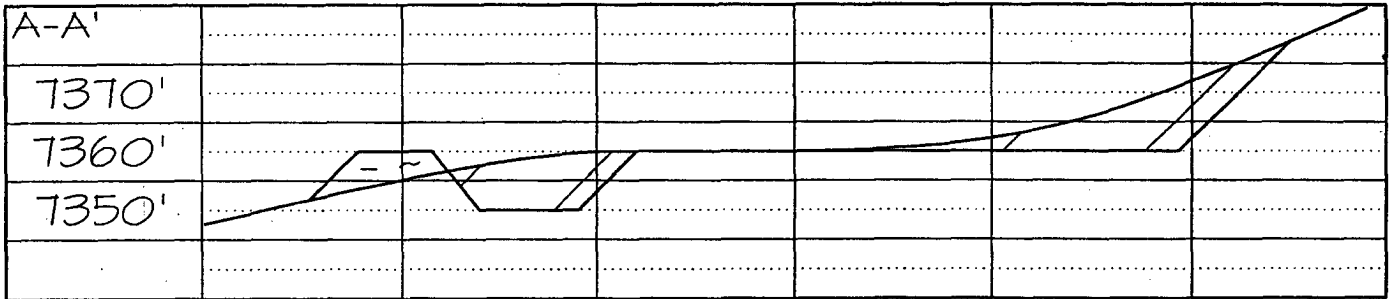
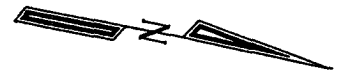
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

| | |
|---|--|
|  | <p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p><i>Doug Thomas</i></p> <p>Signature Doug Thomas</p> <p>Printed Name Drilling Superintendant</p> <p>Title 6/28/04</p> <p>Date</p> |
| | <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Survey Date: DECEMBER 2, 2003</p> <p>Signature and Seal of Professional Surveyor</p> <p></p> <p><i>JASON C. EDWARDS</i></p> <p>Certificate Number 15269</p> |

ENERGEN RESOURCES CORPORATION JICARILLA 117E #9B
2515' FNL & 565' FWL, SECTION 33, T26N, R3W, NMPM
RIO ARriba COUNTY, NEW MEXICO GROUND ELEVATION: 7360'



LATITUDE: 36°26'36"
LONGITUDE: 107°09'25"
 DATUM: NAD1927



OPERATIONS PLAN

WELL NAME: Jicarilla 117E #9B

LOCATION: 2515' FNL, 565' FWL, Section 33, T26N, R3W, Rio Arriba, New Mexico

FIELD: Blanco Mesaverde

ELEVATION: 7360'

FORMATION TOPS:

| | | Anticipated W/O/G Zone | | Anticipated W/O/G Zone | |
|-----------------|----------|------------------------|---------------------|------------------------|------------------|
| Surface | San Jose | | Huerfanito Benonite | 4397 | |
| Nacimiento | 2477 | | Cliff House | 5622 | Water, Oil & Gas |
| Ojo Alamo | 3637 | Water | Menefee | 5732 | Water, Oil & Gas |
| Kirtland | 3707 | | Point Lookout | 6097 | Water, Oil & Gas |
| Fruitland | 3772 | Water & Gas | Mancos Shale | 6332 | |
| Pictured Cliffs | 3962 | Water, Oil & Gas | | | |
| Lewis | 4137 | Water & Gas | Total Depth | 6547 | |

LOGGING PROGRAM:

Open Hole Logs:

Surface to intermediate: None

Inter TD to total depth: GR/Temp/HRI: GR/Spec Den/Dual Spaced Neutron

Mud Logs: None

Coring: None

Natural Gauges: Every 500' from intermediate TD to total depth

MUD PROGRAM: Fresh water low solids mud from surface to intermediate TD (9.0 – 9.2 PPG).

Air/mist from intermediate casing point to total depth.

CASING PROGRAM:

| <u>HOLE SIZE</u> | <u>DEPTH</u> | <u>CSG SIZE</u> | <u>WT.</u> | <u>GRADE</u> |
|------------------|--------------|-----------------|------------|--------------|
| 12-1/4" | 200' | 9-5/8" | 32.3# | H-40 ST&C |
| 8-3/4" | 4287' | 7" | 20 & 23# | J-55 ST&C |
| 6-1/4" | 4137'-6547' | 4-1/2" | 10.5# | J-55 ST&C |

TUBING PROGRAM:

| | | | |
|-------|-------|------|------|
| 6500' | 2 3/8 | 4.7# | J-55 |
|-------|-------|------|------|

WELLHEAD: 11" 3000 x 9 5/8" casing head. 11" 3000 x 7 1/16" 3000 xmas tree.

BOP 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 the stack. A 2" nominal, 2000 psi minimum choke manifold will be used. An upper Kelly Cock valve with handle available and drill string valve to fit each drill string will be available on the rig floor during drilling operations.

CEMENTING:

9 5/8 surface casing - Cement with 110 sks Class B Cement with 1/4" Flocele/sx and 2% calcium chloride (130 cu. ft. of slurry, 100% excess to circulate to surface). WOC 12 hrs. Test casing to 600# for 30 minutes.

Texas Pattern Guide Shoe on bottom with centralizers on the first three joints.

7" intermediate casing - cement with 520 sks 65/35 Class B Poz with 6% gel, 2% calcium chloride, 10% gilsonite, and 1/4# flocele/sk. Tail with 100 sks Class B w/2% calcium chloride, 10% gilsonite and 1/4# flocele/sk. (1128 cu. Ft. of slurry, 75% excess to circulate to surface). WOC 12 hrs. If cement does not circulate, run temperature survey in 8 hrs. to determine TOC. Test casing to 1200 psi for 30 minutes.

Cement nose guide shoe on bottom with a self-fill insert float valve on top of shoe joint. 8 bow spring centralizers spaced every 2nd joint off bottom. Two turbolating centralizers at the base of the Ojo Alamo.

4 1/2 Production Liner

Cement with 317 sks 50/50 poz with 2% gel, 5 PPS gilsonite, .4% halad - 9 and 1/4# flocele/sk (405 cu. Ft., 75% excess to intermediate casing). WOC 18 hrs prior to completion.

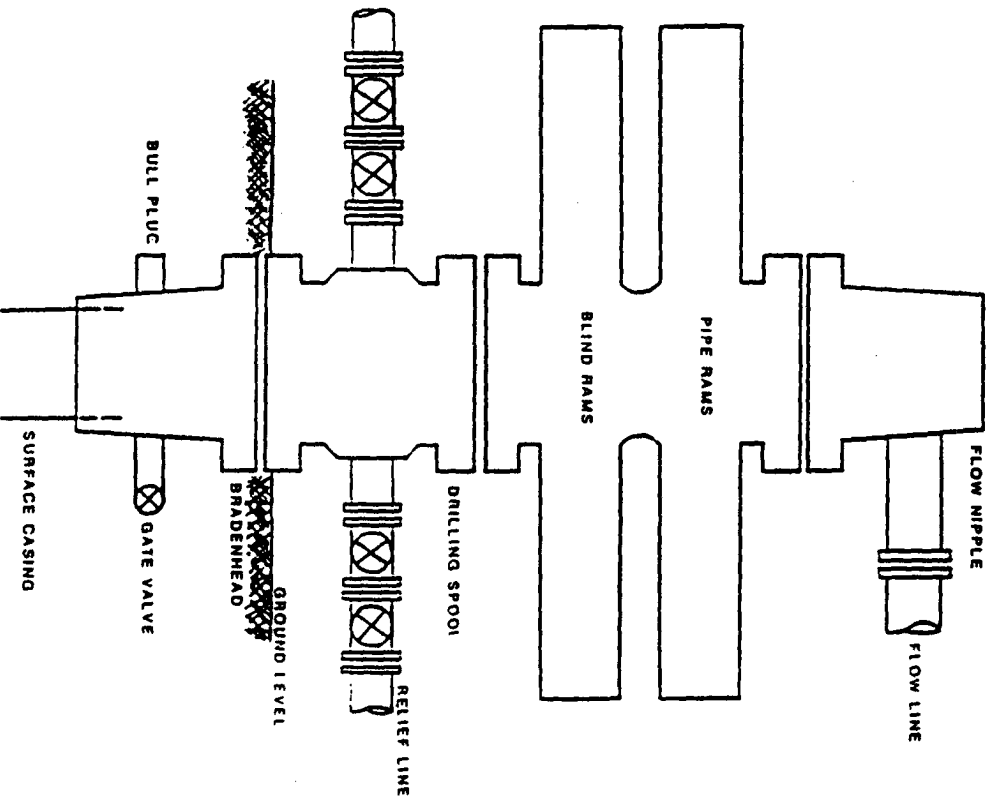
Cement nose guide shoe on bottom with float collar on top of shoe joint. Liner hanger will have a neopreme packoff on top.

OTHER INFORMATION:

- 1) The Blanco Mesaverde completed.
- 2) No abnormal temperatures or pressures are anticipated.
- 3) Anticipated pore pressure for the Mesa Verde is 800, Pictured Cliffs is 600 and the Fruitland 500 psi.
- 4) If lost circulation is encountered, sufficient LCM will be added to the mud system to maintain well control.
- 5) This gas is dedicated.
- 6) No H2S is anticipated during or in the drilling, completion, or production of this well.

Figure #1

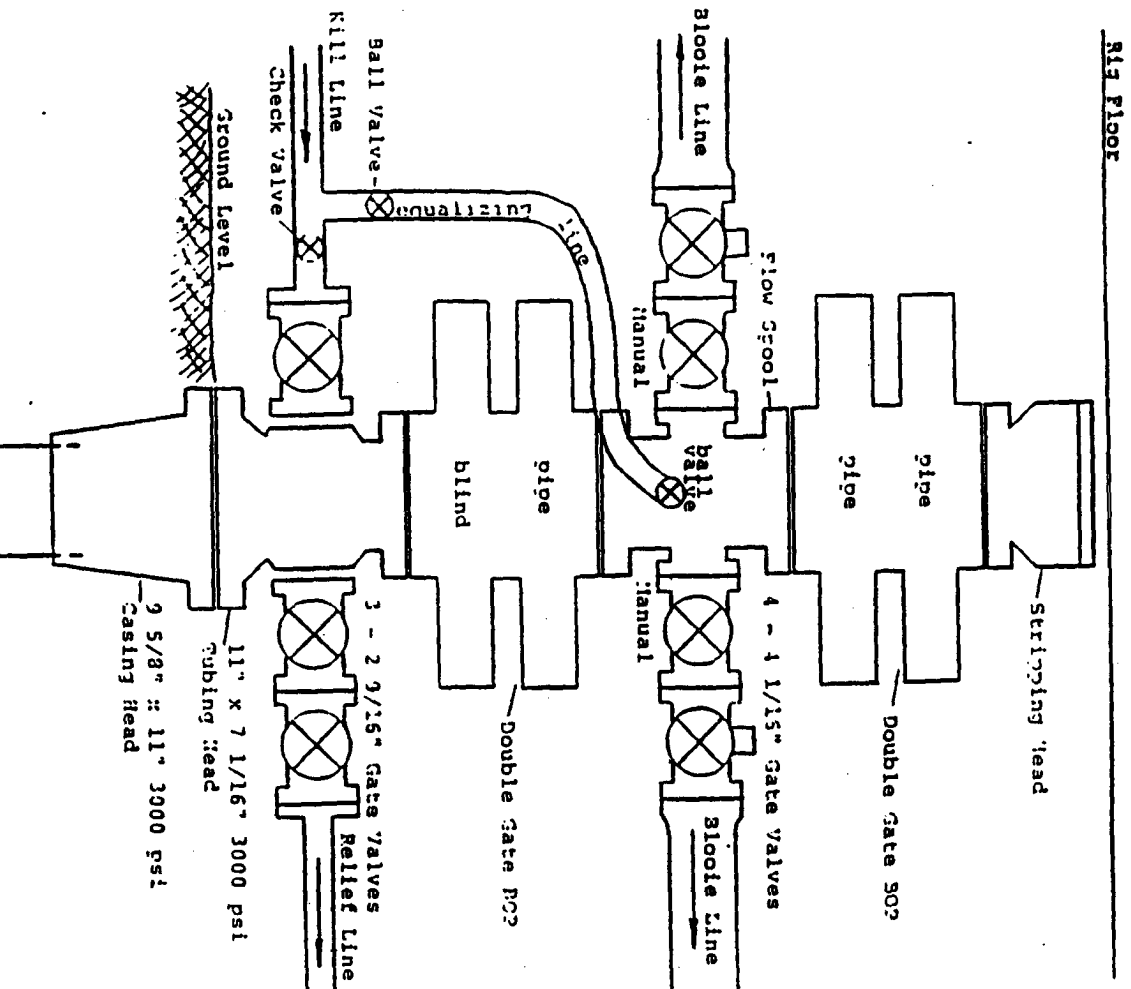
TYPICAL B.O.P.E. INSTALLATION
FOR A FRUITLAND COAL WELL
(to intermediate TD)



Series 800 double gate BOP
Rated at 3000 psi working pressure

Figure #2

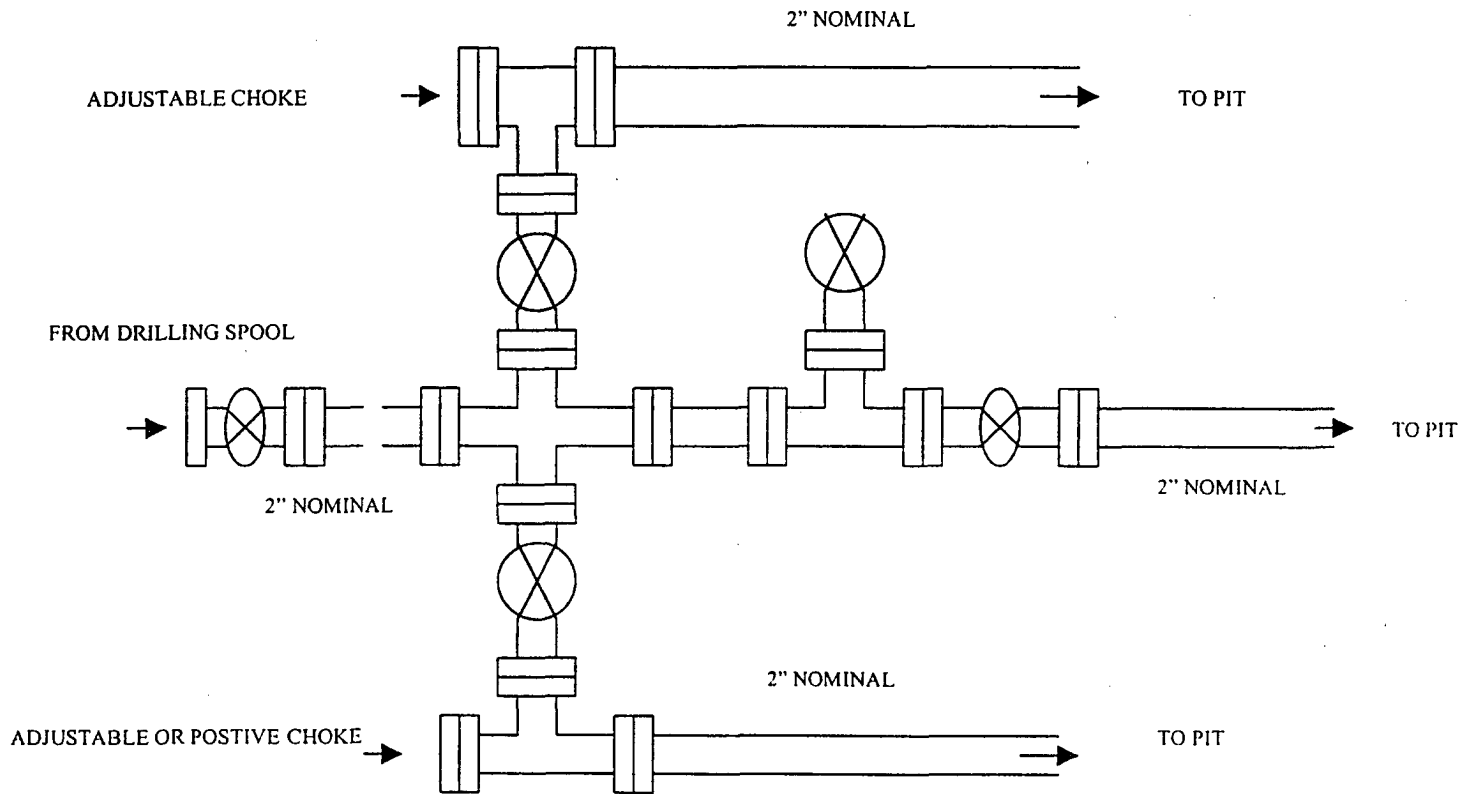
FRUITLAND COAL WELL
TYPICAL BOP CONFIGURATION
7 1/16" 3000 psi (minimum) BOP STACK
(from intermediate to total depth)



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.