

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

**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.*

RECEIVED

5. Lease Serial No.

SF-079483A

6. If Indian, Allottee or Tribe Name

2003 JUL 14 AM 11:38

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

070 Farmington, NM

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

ENERGEN RESOURCES CORPORATION

3a. Address

2198 Bloomfield Highway, Farmington, NM 87401

3b. Phone No. (include area code)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1470' FSL, 810' FWL, Sec. 7, T30N, R4W, N.M.P.M.

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

NM

8. Well Name and No.

Carson 2

9. API Well No.

30-039-22083

10. Field and Pool, or Exploratory Area

East Blanco PC

11. County or Parish, State

Rio Arriba 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

☐ 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

Add PC & DHC

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.)

It is intended to add the Pictured Cliffs and downhole commingle it with the Mesa Verde and Gallup as follows:

1. MIRU. TOH with tubing.
2. Set RBP 50' above Lewis Shale perfs. Test casing to 3500 psi.
3. Selectively perforate and fracture treat the PC with 60Q foam.
4. Flow back frac. TIH and clean out to RBP. Retrieve RBP and TOH.
5. TIH and clean out to 7688' with air mist. Land tubing at 7495'. Return to production.

Note: A revised well location plat is attached showing the PC dedication.

**CONDITIONS OF APPROVAL**

Adhere to previously issued stipulations.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

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

Charlie Donahue

Title

District Engineer

Date 7/10/03

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by /s/ Jim Lovato

Title

Date

JUL 16 2003

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

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.

RECEIVED

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised June 10, 200  
Submit to Appropriate District Office  
State Lease - 4 Copie  
Fee Lease - 3 Copie

☒ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-039-22083	<sup>2</sup> Pool Code 72400/72319/96426	<sup>3</sup> Pool Name East Blanco Pictured Cliffs WG:30N04W07K Gallup/Blanco Mesaverde/
<sup>4</sup> Property Code 21185	<sup>5</sup> Property Name Carson	<sup>6</sup> Well Number 2
<sup>7</sup> OGRID No. 162928	<sup>8</sup> Operator Name Energen Resources Corporation	<sup>9</sup> Elevation 6692'

<sup>10</sup> Surface Location

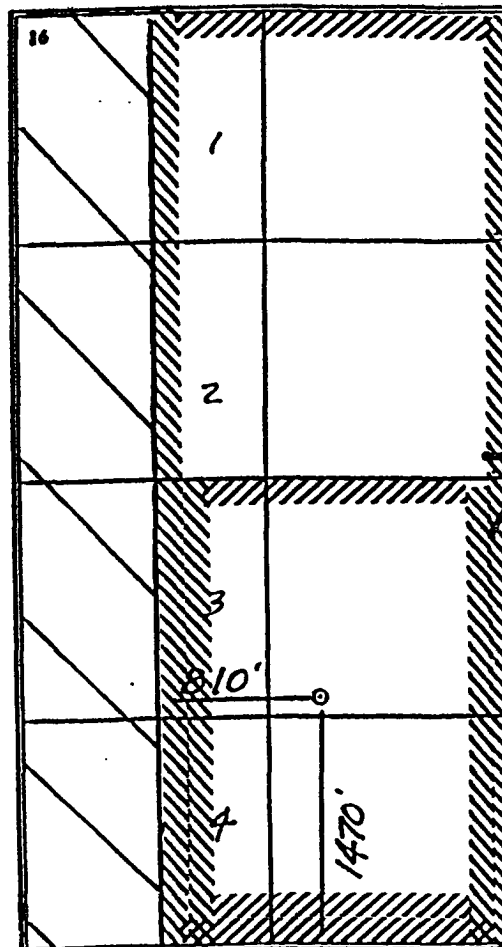

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	07	30N	04W		1470	South	810	West	Rio Arriba

<sup>11</sup> 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

<sup>12</sup> Dedicated Acres 164.02 109.29 W/218.30	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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>Not re-surveyed prepared from plat: Dated: Oct. 27, 1979 By: Fred B. Kerr Jr.</p>	<p><sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Charlie Donahue</i> Signature Charlie Donahue Printed Name District Engineer Title 07/10/03 Date</p>
	<p>PC proration unit includes Section 7: Lot 1, 2 E/2 SW/4 Section 18: Lot 1 &amp; NE/4 NW/4 Containing 164.02 acres</p>	<p><sup>18</sup> SURVEYOR CERTIFICATION 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 knowledge and belief.</p> <p>Date of Survey: 07/10/03 Signature and Seal of Registered Surveyor:  6857 Certificate Number</p>



## DISTRICT I

1025 N. FARMINGTON, FARMINGTON, NM 87401

## DISTRICT II

911 S. First St., Artesia, NM 80210-2925

## DISTRICT III

1050 S. 1st Street, Artesia, NM 87410-1003

## DISTRICT IV

2040 S. Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

## OIL CONSERVATION DIVISION

2040 S. Pacheco  
Santa Fe, New Mexico 875054-6429Form C-10  
Revised March 17,

APPROVAL PROC

☒ Administrative

EXISTING WELL

☒ YES

## APPLICATION FOR DOWNHOLE COMMINGLING

ENERGEN RESOURCES CORPORATION

Operator

2198 Bloomfield Highway, Farmington, NM 87401

Address

CARSON

Lessee

2

Well No.

K

Unit Ltr. - Sec - Twp - Rge

7

30N

4W

Rio Arriba

County

Spacing Unit Lease Types: (check 1 or more)

OCCID NO. 162928

Property Code 21185

API NO. 30-039-22083

Federal ☒ State ☐ (and/or) Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	East Blanco PC 72400	Blanco MV 72319	Wildcat Gallup 96426
2. Top and Bottom of Pay Section (Perforations)	3455 - 3690'	5624 - 6095'	7099 - 7512'
3. Type of production (Oil or Gas)	Gas	Gas	Gas
4. Method of Production (Flowing or Artificial Lift)	Not Completed	Flowing	Flowing
5. Bottomhole Pressure	a. (Current) Not Completed b. (Original) 1075 Est.	a. 895 Calc. b. 1089 Calc.	a. 895 Calc. b. 2607 Calc.
Oil Zones - Artificial Lift Estimated Current Gas & Oil - Flowing Measured Current All Gas Zones: Estimated Or Measured Original			
6. Oil Gravity (° API) or Gas BTU Content)	1020 BTU Est.	1036 BTU	1036 BTU
7. Producing or Shut-In?	Not Completed	Producing	Producing
Production Marginal? (yes or no)	Yes	Yes	Yes
* If Shut-In, give date and oil/gas/water rates of last production	Date: Rates:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: Rates: Not Completed	Date: 7/07/03 Rates: 0/41/1	Date: 7/07/03 Rates: 0/84/2
8. Field Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: % Gas: %	Oil: % Gas: %	Oil: % Gas: %

9. If allocation formula is based upon something other than current or past production, or is based upon some other n submit attachments with supporting data and/or explaining method and providing rate projections or other required

10. Are all working, overriding, and royalty interests identical in all commingled zones? ☒ Yes ☐ No  
If not, have all working, overriding, and royalty interests been notified by certified mail? ☐ Yes ☐ No  
Have all offset operators been given written notice of the proposed downhole commingling? ☒ Yes ☐ No11. Will cross-flow occur? ☐ Yes ☒ No If yes, are fluids compatible, will the formations not be damaged, will any flowed production be recovered, and will the allocation formula be reliable. ☐ Yes ☐ No (If No, attach explanation)12. Are all produced fluids from all commingled zones compatible with each other? ☒ Yes ☐ No13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)14. If this well is on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☒ Yes ☐ No

15. NMOC/D Reference Cases for Rule 303(D) Exceptions: ORDER NO(S) \_\_\_\_\_

16. ATTACHMENTS:

- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of all offset operators.
- Notification list of working, overriding, and royalty interests for uncommon interest cases.
- Any additional statements, data, or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE District Engineer DATE 7/10/2003

TYPE OR PRINT NAME Charlie Donahue TELEPHONE NO( 505 ) 325-6800

## **BLM CONDITIONS OF APPROVAL**

**Operator** Energen Resources Corporation

**Well Name** Carson # 2

**Legal Location** 1470 FSL / 810 FWL

**Sec** 07, **T.** 30N, **R.** 4W

**Lease Number** SF-079483A

**Field Inspection Date:** N/A

The following stipulations will apply to this well unless a particular Surface Managing Agency or private Surface owner has supplied to the BLM and the operator a contradictory environmental stipulation. The failure of the operator to comply with requirements may result in the assessments of penalties pursuant to **43 CFR 3163.1 or 3163.2**. A copy of these conditions of approval shall be present on the location during construction, drilling and reclamation activity.

An agreement between operator and fee land owner will take precedence over BLM surface stipulations, unless **(In reference to 43 CFR Part 3160): 1)** BLM determines that operators actions will affect adjacent Federal or Indian surface, or **2)** operator does not maintain well area and lease premises in a workmanlike manner with due regard for safety, conservation and appearance, or **3)** no such agreement exists, or **4)** in the event of well abandonment, minimal Federal restoration requirements will be required.

**STANDARD STIPULATIONS FOR ALL WORKOVERS:** All surface areas disturbed during workover activities and not in use for production activities, will be reseeded the first July – September period after the well has been put back into production. This should occur in the first 12 months after completion of workover activities.

### **SPECIAL STIPULATIONS FOR THIS SITE:**

- 1. Pits will be fenced during workover operation.**
- 2. All disturbance will be kept on existing pad.**
- 3. Empty and reclaim pit after work completed.**
- 4. Pits will be lined with an impervious material at least 12 mils thick Prior to closing the pit, the liner will be cut off at mud level. The excess liner will be hauled to a licensed disposal area.**
- 5. No construction, drilling or completion activities shall be conducted between December 1 and March 31 because of deer/elk wintering habitat.**



**Bureau of Land Management  
Farmington Field Office  
1235 La Plata Highway, Suite A  
Farmington, New Mexico 87401  
(505) 599-8900**



**Carson National Forest  
Jicarilla Ranger District  
664 E. Broadway  
Bloomfield, NM 87413  
(505) 632-2956**

July 8, 2003

To All Oil and Gas Companies Doing Business on the Farmington Field Office and Jicarilla Ranger District:

Dear Sir or Madame,

Please be advised that the Farmington Field Office as well as the Carson National Forest have gone into Level III Fire Restrictions effective July 8, 2003. Please refer to the attachment on rules concerning the fire restrictions in place. In brief, this prohibits campfires and smoking is restricted to inside vehicles or at well sites.

For oil and gas operations, we are requiring that companies adhere to the following:

- Smoking only inside vehicles or at well sites.
- Prior notification to the Farmington Field Office or the Jicarilla Ranger District is required for drilling and flaring activities..
- Operations such as road grading, rock crushing, road surfacing, and other operations occurring on mineral soil may continue without approval by the two federal offices.
- 80 barrels of fresh water will be available for fire suppression and a minimum of 300 feet of 1 ½ inch hose with nozzle will available at work locations, such as flaring and drilling operations.
- Fire extinguishers, hand tools and a designated lookout will be used for welding, cutting torch and dozer operations.
- Chainsaws will be inspected prior to use. For inspections please stop by the Jicarilla Ranger Station located at 664 E. Broadway, Bloomfield, NM.

We also need to remind you that the federal government pursues fire suppression costs for all human-caused fires. The operator is responsible for the cost of suppressing all fires caused by their operations, and for all damage to any property of the government or third parties. The government reserves the right to participate in extinguishing any fires caused by the operator, and the operator shall reimburse the government for the cost of all suppression activities ordered by the government.

Please distribute this message as quickly as possible throughout your company and to your sub-contractors.  
Thank-you for your cooperation.

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Field Office Manager

Mark S. Catron  
District Ranger