

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0136
Expires: November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM 10183-A
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		6. If Indian, Allottee or Tribe Name
2. Name of Operator Energen Resources Corporation		7. Unit or CA Agreement Name and No.
3a. Address 2198 Bloomfield Highway Farmington, New Mexico 87401	3b. Phone No. (include area code) (505)325-6800	8. Lease Name and Well No. Mexico Federal R 1C
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 660' FNL, 2265' FEL At proposed prod. zone		9. API Well No. 30 045 3/236
14. Distance in miles and direction from nearest town or post office* 2-1/2 miles east of La Plata, NM		10. Field and Pool, or Exploratory Blanco Mesaverde
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 660'		11. Sec., T., R., M., or Blk. and Survey or Area B Sec. 12, T31N, R13W - N.M.P.M.
16. No. of Acres in lease 360		12. County or Parish San Juan
17. Spacing Unit dedicated to this well N 1/2		13. State NM
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1000'		20. BLM/BIA Bond No. on file
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5776' GL		22. Approximate date work will start* January 2003
		23. Estimated duration 10 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 <i>Vicki L. Donaghey</i>	Name (Printed/Typed) Vicki Donaghey	Date 10/08/02
Title Production Assistant		
Approved by (Signature) <i>Wayne Townsend</i>	Name (Printed/Typed) Wayne Townsend	Date 12/20/02
Title ACTING Assistant Field Manager (Minerals)	Office FFO	

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)

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

NMOCB

District II
PO Drawer 00, Artesia, NM 87211-0719

District III
1500 Rio Brazos Rd., Aztec, NM 87410

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

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

Submit to appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number' 30-015-31236	'Pool Code' 72319/71599	'Pool Name' Blanco Mesaverde / Basin Dakota
'Property Code' 21342	'Property Name' MEXICO FEDERAL R	'Well Number' 1C
'GRID No. 162928	'Operator Name' ENERGEN RESOURCES CORPORATION	'Elevation' 5776'

10 Surface Location

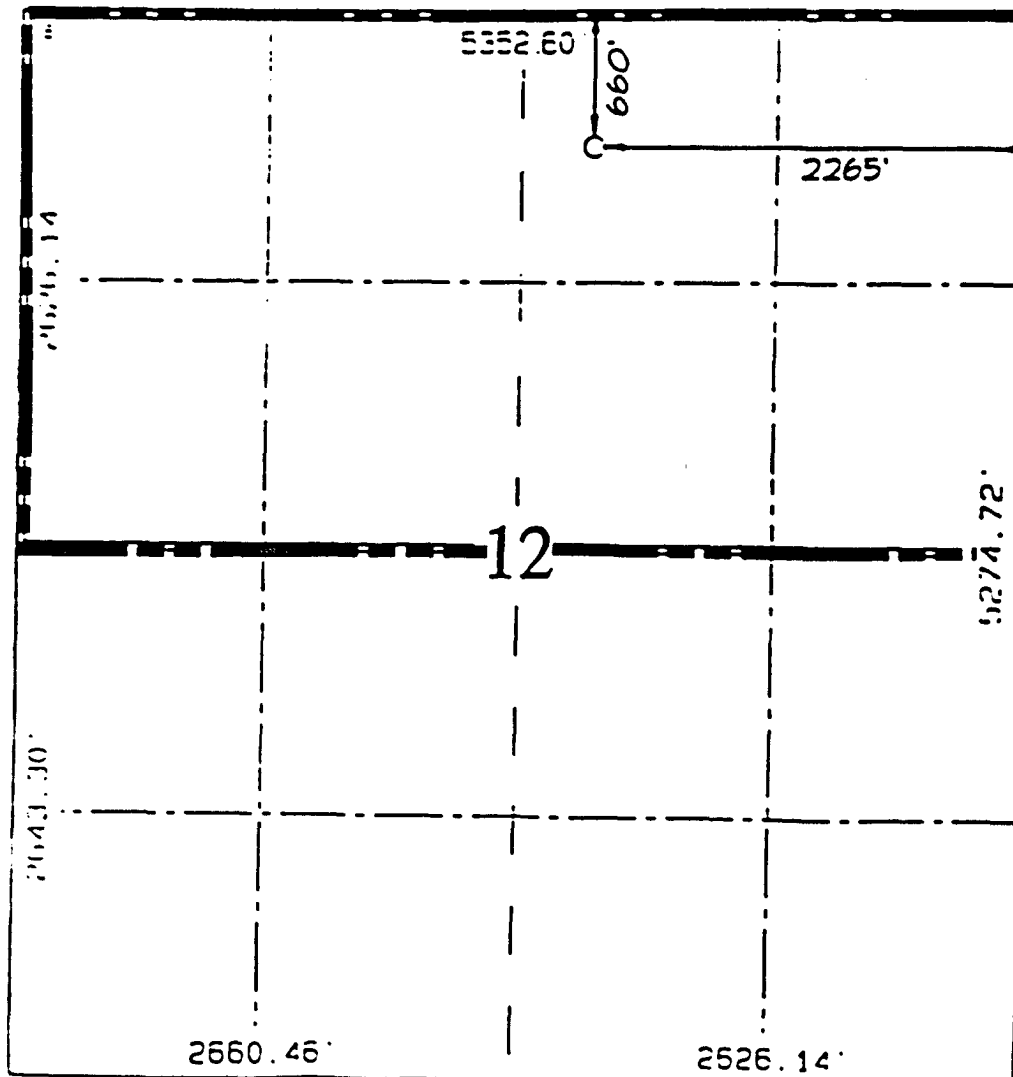
'T or S of R'	'Section'	'Township'	'Range'	'Lot 1/4'	'Feet from the'	'North/South Line'	'Feet from the'	'East/West Line'	'County'
E	12	31N	13W		660	NORTH	2265	EAST	SAN JUAN

11 Bottom Hole Location If Different From Surface

'T or S of R'	'Section'	'Township'	'Range'	'Lot 1/4'	'Feet from the'	'North/South Line'	'Feet from the'	'East/West Line'	'County'

'Decedent Acres' 320.0 acres - N/2	'Date of Survey' 10-7-02	'Consolidation Code'	'Other 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



OPERATOR CERTIFICATION
I hereby certify that the information
contained herein is true and correct
to the best of my knowledge and belief.

Don Graham
Signature

Don Graham

Printed Name

Production Superintendent

Title

10-7-02

Date

SURVEYOR CERTIFICATION

I hereby certify that the well location
shown on this plat was obtained 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.

Survey Date SEPTEMBER 21, 2002

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

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)

660' FNL, 2265' FEL, Sec. 12, T31N, R13W, N.M.P.M.

5. Lease Serial No.

NM-10183-A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Mexico Federal R 1C

9. API Well No.

10. Field and Pool, or Exploratory Area

Blanco MV/Basin DK

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

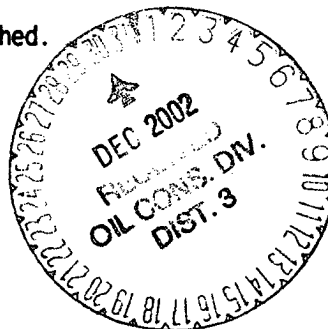
TYPE OF ACTION

- | | | | |
|--|---|--|---|
| <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 recompleate 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 recompleation 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.)

Upon further geologic review, it was determined this well has additional potential in the Basin Dakota Formation. Please amend the previously submitted drilling permit to take this well to the Dakota. It is intended to complete both the Dakota & Mesa Verde and downhole commingle the production.

A revised well location plat and operations plan are attached.

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

Vicki Donaghey

Title

Production Assistant

Date 10/25/02

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

ACTING

Assistant Field Manager (Minerals)

Date

12/20/02

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

FPO

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.

NMOCD

OPERATIONS PLAN

WELL NAME: Mexico Federal R #1C

LOCATION: 660' FNL, 2265' FEL, Section 12, T31N, R13W, San Juan, New Mexico

FIELD: Basin Dakota/Blanco Mesaverde

ELEVATION: 5776' GL

FORMATION TOPS:

Surface	San Jose	Huerfanito Benonite	2793
Ojo Alamo	168	Cliff House	3643
Kirtland	243	Menefee	3903
Fruitland	1673	Point Lookout	4433
Pictured Cliffs	2093	Mancos Sh	4783
Lewis	2358	Graneros	6596
		Dakota	6656
		Total Depth	6960

LOGGING PROGRAM:

Open Hole Logs:

Surface to intermediate: None

Inter TD to total depth: Temp/HRI/CNT, LDT/GR, MRIL

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. 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"	36#	J-55
8-3/4"	3850'	7"	23#	J-55
6-1/4"	3700'-6960'	4-1/2"	11.6#	J-55

TUBING PROGRAM:

6800'	2 3/8"	4.7#	J-55
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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.

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

First Stage - cement with 110 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. (338 cu. Ft. of slurry, 50% excess to circulate to stage tool @ 2350').

Second Stage - cement with 245 sks 65/35 Class B Poz with 6% gel, 2% calcium chloride, 10% gilsonite, and 1/4# flocele/sk. Tail with 50 sks Class B w/2% calcium chloride, 10% gilsonite and 1/4# flocele/sk. (530 cu. ft. of slurry, 50% excess to circulate to surface). WOC 12 hrs.

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. One centralizer below and 5 above stage at 2350'. Two turbolating centralizers at the base of the Ojo Alamo. 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.

4 1/2 Production Liner

Cement with 400 sks 50/50 poz with 2% gel, 5 PPS gilsonite, .4% halad - 9 and 1/4# flocele/sk (502 cu. ft., 50% excess to circulate liner top). 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 700, Pictured Cliffs is 400 and the Fruitland 300 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.