Form 3160-3 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0136 Expires: November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER 1a. Type of Work	5. Lease Serial No. Jic Cont 115 6. If Indian, Allotee or Tribe Name Jicarilla Apache 7. Unit or CA Agreement Name and No. 8. Lease Name and Well No. Jicarilla 115E 2R 9. API Well No. 30-039-2731 10. Field and Pool, or Exploratory Blanco Mesaverde 11. Sec., T., R., M., or Blk. and Survey or A CSec. 10, T26N, R3W, N.M.P 12. County or Parish 13. State Rio Arriba NM acing Unit dedicated to this well 320 W 1/2 M/BIA Bond No. on file
1b. Type of Well Oil Well X Gas Well Other X Single Zone Multiple Zone 2. Name of Operator Energen Resources Corporation 3a. Address 2198 Bloomfield Highway, Farmington, NM 87402 4. Location of Well (Report location clearly and in accordance with any State equirement) At surface 660' FNL, 2500' FWL At proposed prod. zone 14. Distance in miles and direction from nearest town or post office* 15 Miles Northwest of Lindrith, New Mexico 15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1750' 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1750' 18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	6. If Indian, Allotee or Tribe Name Jicarilla Apache 7. Unit or CA Agreement Name and No. 8. Lease Name and Well No. Jicarilla 115E 2R 9. API Well No. 30-039-2731 10. Field and Pool, or Exploratory Blanco Mesaverde 11. Sec., T., R., M., or Blk. and Survey or A CSec. 10, T26N, R3W, N.M.P 12. County or Parish 13. State Rio Arriba NM acing Unit dedicated to this well 320 W 1/2
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1/50 6219	
21. Elevations (Show whether DE, KDB, RT, GL, etc. 22. Approximate date work will start*	
227 pp	23. Estimated duration
6982' GL May 2003	10 days
 A Drilling Plan A Surface Use Plan (if the location is on National Forest System Lands, the Operator certification. 	form: ess covered by an existing bond on file (see on and/or plans as may be required by the
	Date
Doug Thomas	11/27/02
Title Orilling/Completion Foreman	
Approved by (Signautre) Name (Printed/Typed)	Date B 4 2003
/s/ David R. Sitzler	1 20 4 2003
Assistant Field Manager Office	
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subj	ingt loogs which would entitle the amilian
conduct operations thereon. Conditions of approval, if any, are attached.	E O
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowlingly and willfully to m States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.	
*(Instructions on Reverse)	DLM GUEROUE.N

District 1 PO Box 1980, Hobbs NM 88241-1980

PO Drawer DD. Artesia. NM 88211-0719 District III

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

District IV PO Box 2088, Santa Fe, NM B7504-2088 State Of New Mexico Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION PO Box 2088 Santa Fe. NM 87504-2088 Revised February 21, 1994

Instructions on back
ait to Appropriate District Office

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

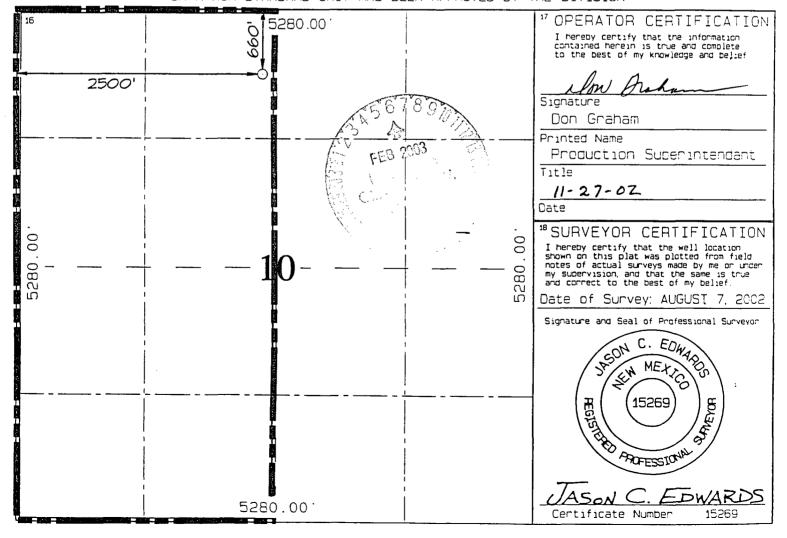
____AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

30-039-273/0 Pool Code 72319		Pool Name BLANCO MESAVERDE		
Property Code	*Property Name JICARILLA 115E		*Well Number 2R	
'OGRID №. 162928	- -	erator Name URCES CORPORATION	*Elevation 6982	

¹⁰ Surface Location UL or lot no. Feet from the North/South line Sect 100 Township Bange Lot Ion Feet from the East/West line County RIO C 10 26N 3W 660 NORTH 2500 WEST ARRIBA ¹¹Bottom Hole Location Different From Surface Ιf ut or lot no. Range Sect ion Township Lot Ion Feet from the North/South line Feet from the East/West line 12 Decicated Acres 13 Joint or Infill 14 Consolidation Code 15 Onder No 320.0 Acres - (W/2)

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



<u>OPERATIONS PLAN</u>

WELL NAME: Jicarilla 115 E #2R

LOCATION: 660' FNL, 2500' FWL, Section 10, T26N, R3W, Rio Arriba, New Mexico

FIELD: Blanco Mesaverde ELEVATION: 6982' GL

FORMATION TOPS:

Surface	San Jose	Huerfanito Benonite	4124
Nacimiento	2119	Cliff House	5409
Ojo Alamo	3174	Menefee	5459
Kirtland	3374	Point Lookout	5769
Fruitland	3474	Mancos Sh	6044
Pictured Cliffs	3629		
Lewis	3799	Total Depth	6219

LOGGING PROGRAM:

Open Hole Logs:

Surface to intermediate: None

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

Mud Logs:

3600' to total depth

Coring:

None

Natural Gauges:

Every 500' from intermediate TD to total depth

<u>MUD PROGRAM:</u> Fresh water low solids mud from surface to intermediate TD. Air/mist from intermediate casing point to total depth.

CASING PROGRAM:

HOLE SIZE	<u>DEPTH</u>	CSG SIZE	<u>WT.</u>	<u>GRADE</u>
12-1/4"	200'	9-5/8"	36#	J-55
8-3/4"	3999'	7"	20#	J-55
6-1/4"	3849'-6219'	4-1/2"	10.5#	J-55

TUBING PROGRAM:

6100' 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.

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 405 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. (902 cu. Ft. of slurry, 50% 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 290 sks 50/50 poz with 2% gel, 5 PPS gilsonite, .4% halad - 9 and 1/4# flocele/sk (365 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 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.