

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave., 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 and Natural Resources

Form C-103

June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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| WELL API NO. 30-039-30821 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name: Carracas 9B |
| 8. Well Number # 16H |
| 9. OGRID Number 162928 |
| 10. Pool name or Wildcat Basin Fruitland Coal |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6198' GL |

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

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| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other |
| 2. Name of Operator Energen Resources Corporation |
| 3. Address of Operator 2010 Afton Place, Farmington, NM 87401 |
| 4. Well Location Unit Letter <u>L</u> : <u>2043</u> feet from the <u>South</u> line and <u>220</u> feet from the <u>West</u> line Section <u>09</u> Township <u>32N</u> Range <u>04W</u> NMPM County <u>Rio Arriba</u> |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 6198' GL |

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☒
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐ RCVD MAY 25 '10
OIL CONS. DIV.

OTHER: ☐ DIST. 3 ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

A 17 1/2" hole will be drilled to 100' and 13 3/8" H40 48# casing will be run as a conductor string. It will be cemented with 50 sx of San Juan PRB II with 5 pps Gilsonite and 0.25 pps Flocele (11.5 ppg, 2.96 cuft/sx).

The hole size for the lateral will be changed from 6 1/4" to 6 1/8".

The production Liner will be changed from pre-perforated 4 1/2" J-55 LT&C to pre-perforated 4 1/2" J-55 ULTFJ

Spud Date:

Rig Release Date:

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

SIGNATURE [Signature] TITLE Drilling Engineer DATE 05/21/2010

Type or print name Devin Mills E-mail address: dmills@energen.com PHONE 505.325.6800

For State Use Only

APPROVED BY [Signature] TITLE Deputy Oil & Gas Inspector, District #3 DATE JUN 01 2010

Conditions of Approval (if any):