

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

SEP 17 2010

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

ENERGEN RESOURCES CORPORATION

3a. Address

2010 Afton Place, Farmington, NM 87401

3b. Phone No. (include area code)

505.325.6800

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

1190' FSL, 990' FWL Section 27, T23N, R03W, Unit M

5. Lease Serial No.

Jicarilla 183

6. If Indian, Allottee or Tribe Name

Jicarilla

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

8. Well Name and No.

Jicarilla 183 2

9. API Well No.

30-4305174

10. Field and Pool, or Exploratory Area

Pictured Cliffs

11. County or Parish, State

Sandoval 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

☐ 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

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.)

Energen Resources plans to Plug and Abandon the Jicarilla 183 #2 according to the attached procedure.

Notify NMOCD 24 hrs
prior to beginning
operations

RCVD SEP 24 '10

OIL CONS. DIV.

DIST. 3

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

Martin Cabrera

Title District Engineer

Signature

Date 9/15/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

SEP 21 2010

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

NMOCD

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.

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PLUG AND ABANDONMENT PROCEDURE

Jicarilla 183 #2

Ballard Pictured Cliffs
1190' FSL and 990' FWL, Section 27, T23N, R3W
Sandoval County, New Mexico / API 30-043-05174
Lat: N _____ / Lat: W _____

Note: All cement volumes use 100% excess outside pipe and 50' excess inside. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Class B, mixed at 15.6 ppg with a 1.18 cf/sx yield.

1. Project will require an approved Pit Permit (C-103) from the NMOCD.
2. Install and test rig anchors. Comply with all NMOCD, BLM and Energen safety rules and regulations. Prepare a lined waste fluid pit. Conduct safety meeting for all personnel on location. MOL and RU daylight pulling unit. NU relief line and blow well down; kill with water as necessary. NU BOP and test.
3. This project requires the Operator to obtain an approved NMOCD C-144 CLEZ Closed-Loop System Permit for the use of an A-Plus steel tank to handle waste fluids circulated from the well and cement wash up.
4. Install and test location rig anchors. Comply with all NMOCD, BLM, and Operator safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. Record casing, tubing and bradenhead pressures. NU relief line and blow down well. Kill well with water as necessary and at least pump tubing capacity of water down the tubing. ND wellhead and NU BOP. Function test BOP.
5. Rods: Yes _____, No X, Unknown _____;
Tubing: Yes _____, No X, Unknown _____, Size _____, Length _____;
Packer: Yes _____, No X, Unknown _____, Type _____.
If this well has rods or a packer, then modify the work sequence in step #2 as appropriate.

NOTE: BLM requires a CBL log to be run on all wells where the cement did not circulate to surface or where a T.S. or CBL log was not previously run. This procedure is prepared with the understanding that it may be modified based on the TOC from the CBL.

6. **Plug #1 (Pictured Cliffs interval, Fruitland, Kirtland and Ojo Alamo tops, 2920' – ^{254'}~~2590'~~):**
RIH and set a 2.875" wireline CIBP at 2920'. TIH with tubing and tag BP. Load casing with water and circulate well clean. Pressure test casing to 800#. If casing does not test, spot or tag subsequent plugs as appropriate. Mix ~~1~~ sxs Class B cement and spot a balanced plug (in 2 stages) above CIBP to isolate the Pictured Cliffs interval then cover through the Ojo Alamo top. TOH with tubing.

- 1465 1305 1405
7. **Plug #2 (Nacimiento top, 1522' – 1422')**: Perforate 3 HSC squeeze holes at 1522'. If the 2.875" casing tested, then attempt to establish rate into the squeeze holes. Set a 2.875" cement retainer at 1472'. Establish rate below CR. Mix and pump 34 sxs Class B cement, squeeze 29 sxs outside the casing and leave 5 sxs inside the casing to cover the Nacimiento top. TOH and LD tubing.
8. **Plug #3 (Surface)**: Perforate 3 HSC squeeze holes at 157'. Establish circulation to surface out the 2.875" casing and bradenhead valve, circulate the BH annulus clean. Mix approximately 55 sxs Class B cement and pump down the 2.875" casing to circulate good cement to the surface. Shut in well and WOC.
9. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 2 Jicarilla 183

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
3. The following modifications to your plugging program are to be made:
 - a) Bring the top of the Pictured Cliffs/Fruitland/Kirtland/Ojo Alamo plug to 2549'.
 - b) Place the Nacimiento plug from 1405' – 1305' inside and outside the 2 7/8" casing.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.