

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

RECEIVED

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

OCT 26 2010

2. Name of Operator

Energen Resources Corporation

Farmington Field Office
Bureau of Land Management

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)

SHL: (A) Sec.31-T32N-R05W ; 1005'FNL, 680'FEL

BHL: (P) Sec.31-T32N-R05W ; 760'FSL, 1100'FWL

5. Lease Serial No.

USA SF-080657

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
San Juan 32-5 Unit

8. Well Name and No.

San Juan 32-5 Unit 111

9. API Well No.

30-039-26637

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

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

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 checked="" type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| <input 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 recomplete 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 recompletion 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 would like to recomplete the San Juan 32-5 Unit #111 by drilling a horizontal lateral off of the existing vertical wellbore as indicated on the revised attached C-102 and directional wellplan. A whipstock will be set at 3115'+/- (TVD) and a window milled in the existing 7" casing from 3100'-3108'+/- (TVD). The lateral will be drilled to 6779'MD, 3354'TVD. A 4.5" 11.6 ppf, J-55, LT&C pre drilled liner will be ran and set from 3100'-6779'MD.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

CONDITIONS OF APPROVAL

Adhere to previously issued stipulations.



14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Stephen Byers

Title Drilling Engineer

Signature

Date 10/26/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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.

NMOC

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 July 16, 2010
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-26637		² Pool Code 71629		³ Pool Name Basin Fruitland Coal	
⁴ Property Code 21996		⁵ Property Name San Juan 32-5 Unit			⁶ Well Number 111
⁷ OGRID No. 162928		⁸ Operator Name Energen Resources Corporation			⁹ Elevation 6654'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	31	32N	5W	1	1005	North	680	East	Rio Arriba

¹¹ 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
P	31	32N	5W	4	760	South	1100	West	Rio Arriba

¹² Dedicated Acres .345.59 -	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. NSP 1847
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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>1428.90'</p> <p>16</p> <p>1005'</p> <p>SHL 680'</p> <p>5280.00'</p> <p>31</p> <p>5280.00'</p> <p>1100'</p> <p>BHL 760'</p> <p>1413.06'</p>				<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Stephen Byers</i> 10/26/2010 Signature Date</p> <p>Stephen Byers Printed Name</p> <p>sbyers@energen.com E-mail Address</p> <p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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 belief.</p> <p>September 12, 2000 Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Neale C. Edwards Certificate Number 6857</p>
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Energen Resources Corp.

SJBR Sec.31-T32N-R05W

Eul Canyon

San Juan 32-5 Unit #111 ST

Re-Entry Horizontal OPE FTC

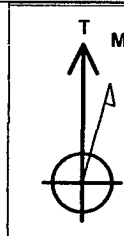
Plan: Sidetrack Plan #2

DIRECTIONAL PLAN

25 October, 2010

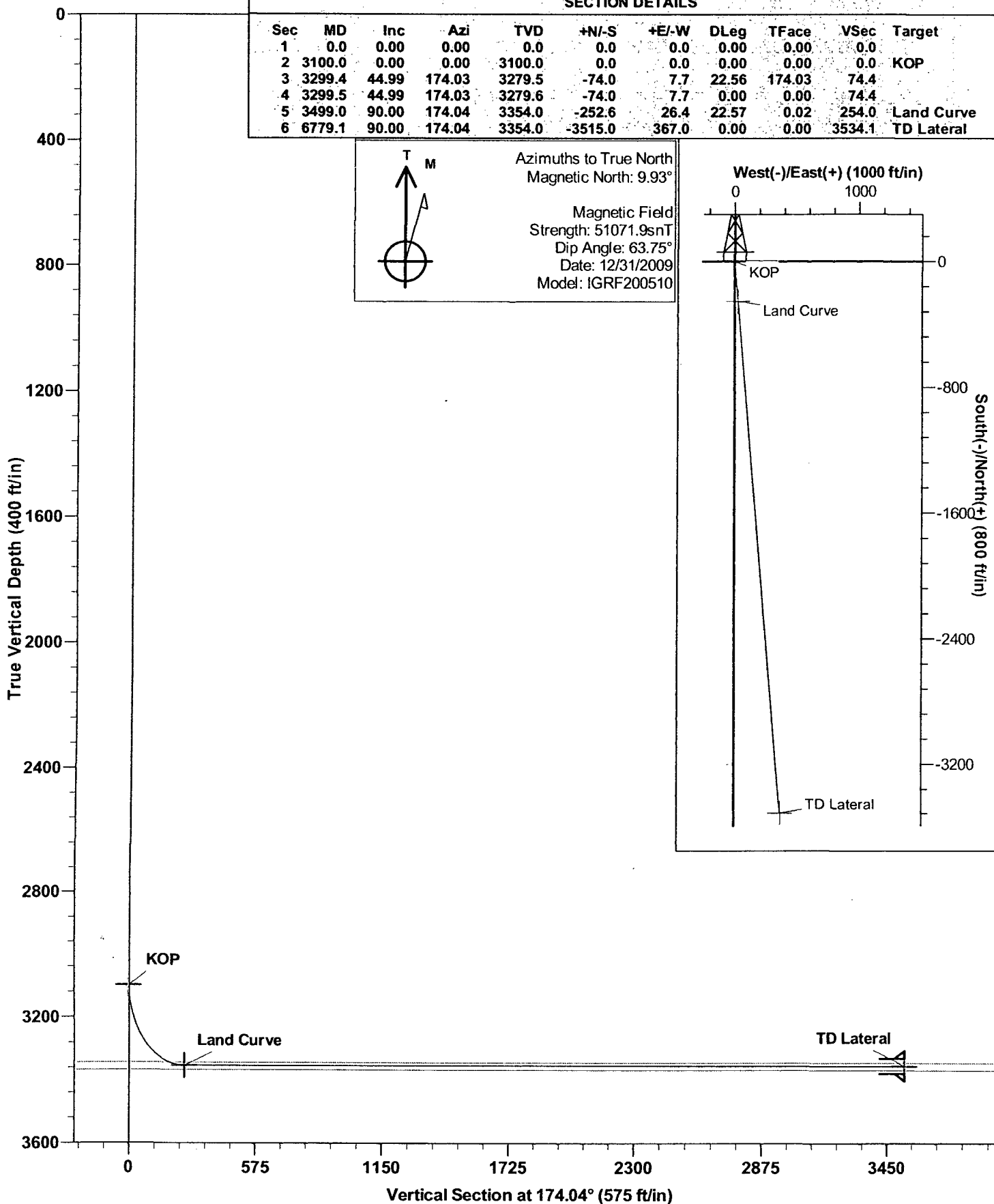
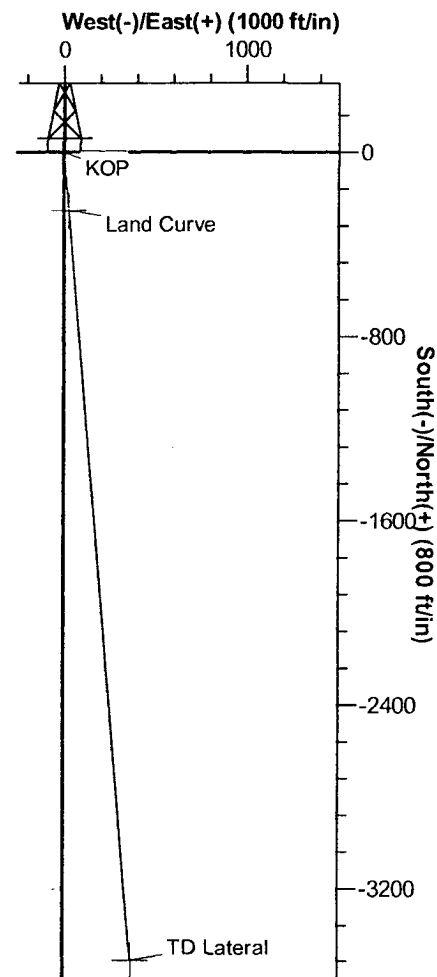
SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	3100.0	0.00	0.00	3100.0	0.0	0.0	0.00	0.00	0.0	KOP
3	3299.4	44.99	174.03	3279.5	-74.0	7.7	22.56	174.03	74.4	
4	3299.5	44.99	174.03	3279.6	-74.0	7.7	0.00	0.00	74.4	
5	3499.0	90.00	174.04	3354.0	-252.6	26.4	22.57	0.02	254.0	Land Curve
6	6779.1	90.00	174.04	3354.0	-3515.0	367.0	0.00	0.00	3534.1	TD Lateral



Azimuths to True North
Magnetic North: 9.93°

Magnetic Field
Strength: 51071.9snT
Dip Angle: 63.75°
Date: 12/31/2009
Model: IGRF200510



Energen

DIRECTIONAL PLAN

Company: Energen Resources
Project: SJBR Sec.31-T32N-R05W
Site: Eul Canyon
Well: San Juan 32-5 Unit #111 ST
Wellbore: Re-Entry Horizontal OPE FTC
Design: Sidetrack Plan #2

Local Co-ordinate Reference: Well San Juan 32-5 Unit #111 ST
TVD Reference: KB @ 6669.0ft (KB)
MD Reference: KB @ 6669.0ft (KB)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Project SJBR Sec.31-T32N-R05W

Map System: US State Plane 1983
Geo Datum: North American Datum 1983
Map Zone: New Mexico Central Zone

System Datum: Mean Sea Level

Site Eul Canyon

Site Position:		Northing:	2,164,003.49 ft	Latitude:	36° 56' 29.292 N
From:	Lat/Long	Easting:	1,305,313.78 ft	Longitude:	107° 23' 48.120 W
Position Uncertainty:	0.0 ft	Slot Radius:	"	Grid Convergence:	-0.69 °

Well San Juan 32-5 Unit #111 ST

Well Position	+N-S	0.0 ft	Northing:	2,164,003.49 ft	Latitude:	36° 56' 29.292 N
	+E-W	0.0 ft	Easting:	1,305,313.78 ft	Longitude:	107° 23' 48.120 W
Position Uncertainty		0.0 ft	Wellhead Elevation:	6,654.0 ft	Ground Level:	6,654.0 ft

Wellbore Re-Entry Horizontal OPE FTC

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	12/31/2009	9.93	63.75	51,072

Design Sidetrack Plan #2

Audit Notes:

Version: **Phase:** PROTOTYPE **Tie On Depth:** 0.0

Vertical Section:	Depth From (TVD) (ft)	+N-S (ft)	+E-W (ft)	Direction (°)
	0.0	0.0	0.0	174.04

Survey Tool Program **Date** 10/25/2010

From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
0.0	6,779.1	Sidetrack Plan #2 (Re-Entry Horizontal OP	MWD	MWD - Standard

Planned Survey

MD (ft)	TVD (ft)	Inc (°)	Azi (°)	Build (°/100ft)	N/S (ft)	E/W (ft)	V. Sec (ft)
0.0	0.0	0.00	0.00	0.00	0.0	0.0	0.0
100.0	100.0	0.00	0.00	0.00	0.0	0.0	0.0
200.0	200.0	0.00	0.00	0.00	0.0	0.0	0.0
300.0	300.0	0.00	0.00	0.00	0.0	0.0	0.0
400.0	400.0	0.00	0.00	0.00	0.0	0.0	0.0
500.0	500.0	0.00	0.00	0.00	0.0	0.0	0.0
600.0	600.0	0.00	0.00	0.00	0.0	0.0	0.0
700.0	700.0	0.00	0.00	0.00	0.0	0.0	0.0
800.0	800.0	0.00	0.00	0.00	0.0	0.0	0.0
900.0	900.0	0.00	0.00	0.00	0.0	0.0	0.0
1,000.0	1,000.0	0.00	0.00	0.00	0.0	0.0	0.0
1,100.0	1,100.0	0.00	0.00	0.00	0.0	0.0	0.0

Energen

DIRECTIONAL PLAN

Company: Energen Resources
Project: SJBR Sec.31-T32N-R05W
Site: Eul Canyon
Well: San Juan 32-5 Unit #111 ST
Wellbore: Re-Entry Horizontal OPE FTC
Design: Sidetrack Plan #2

Local Co-ordinate Reference: Well San Juan 32-5 Unit #111 ST
TVD Reference: KB @ 6669.0ft (KB)
MD Reference: KB @ 6669.0ft (KB)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Planned Survey

MD (ft)	TVD (ft)	Inc (°)	Azi (°)	Build (°/100ft)	N/S (ft)	E/W (ft)	V. Sec (ft)
1,200.0	1,200.0	0.00	0.00	0.00	0.0	0.0	0.0
1,300.0	1,300.0	0.00	0.00	0.00	0.0	0.0	0.0
1,400.0	1,400.0	0.00	0.00	0.00	0.0	0.0	0.0
1,500.0	1,500.0	0.00	0.00	0.00	0.0	0.0	0.0
1,600.0	1,600.0	0.00	0.00	0.00	0.0	0.0	0.0
1,700.0	1,700.0	0.00	0.00	0.00	0.0	0.0	0.0
1,800.0	1,800.0	0.00	0.00	0.00	0.0	0.0	0.0
1,900.0	1,900.0	0.00	0.00	0.00	0.0	0.0	0.0
2,000.0	2,000.0	0.00	0.00	0.00	0.0	0.0	0.0
2,100.0	2,100.0	0.00	0.00	0.00	0.0	0.0	0.0
2,200.0	2,200.0	0.00	0.00	0.00	0.0	0.0	0.0
2,300.0	2,300.0	0.00	0.00	0.00	0.0	0.0	0.0
2,400.0	2,400.0	0.00	0.00	0.00	0.0	0.0	0.0
2,500.0	2,500.0	0.00	0.00	0.00	0.0	0.0	0.0
2,600.0	2,600.0	0.00	0.00	0.00	0.0	0.0	0.0
2,700.0	2,700.0	0.00	0.00	0.00	0.0	0.0	0.0
2,800.0	2,800.0	0.00	0.00	0.00	0.0	0.0	0.0
2,900.0	2,900.0	0.00	0.00	0.00	0.0	0.0	0.0
3,000.0	3,000.0	0.00	0.00	0.00	0.0	0.0	0.0
3,100.0	3,100.0	0.00	0.00	0.00	0.0	0.0	0.0
KOP							
3,125.0	3,125.0	5.64	174.03	22.56	-1.2	0.1	1.2
3,150.0	3,149.7	11.28	174.03	22.56	-4.9	0.5	4.9
3,175.0	3,173.9	16.92	174.03	22.56	-10.9	1.1	11.0
3,200.0	3,197.4	22.56	174.03	22.56	-19.3	2.0	19.4
3,225.0	3,220.0	28.20	174.03	22.56	-30.0	3.1	30.1
3,250.0	3,241.4	33.84	174.03	22.56	-42.8	4.5	43.0
3,275.0	3,261.5	39.49	174.03	22.56	-57.6	6.0	58.0
3,299.4	3,279.5	44.99	174.03	22.55	-74.0	7.7	74.4
3,299.5	3,279.6	44.99	174.03	0.00	-74.0	7.7	74.4
3,325.0	3,296.7	50.74	174.03	22.57	-92.8	9.7	93.3
3,350.0	3,311.5	56.39	174.03	22.57	-112.8	11.8	113.4
3,375.0	3,324.3	62.03	174.03	22.57	-134.2	14.0	134.9
3,400.0	3,335.0	67.67	174.04	22.57	-156.7	16.4	157.5
3,425.0	3,343.3	73.31	174.04	22.57	-180.1	18.8	181.1
3,427.4	3,344.0	73.86	174.04	22.57	-182.4	19.1	183.4
Top Target Coal							
3,450.0	3,349.3	78.95	174.04	22.57	-204.2	21.3	205.3
3,475.0	3,352.9	84.59	174.04	22.57	-228.8	23.9	230.1
3,499.0	3,354.0	90.00	174.04	22.58	-252.6	26.4	254.0
Land Curve							
3,500.0	3,354.0	90.00	174.04	0.00	-253.6	26.5	255.0
3,600.0	3,354.0	90.00	174.04	0.00	-353.1	36.9	355.0
3,700.0	3,354.0	90.00	174.04	0.00	-452.6	47.3	455.0
3,800.0	3,354.0	90.00	174.04	0.00	-552.0	57.7	555.0

Energen

DIRECTIONAL PLAN

Company: Energen Resources
Project: SJBR Sec.31-T32N-R05W
Site: Eul Canyon
Well: San Juan 32-5 Unit #111 ST
Wellbore: Re-Entry Horizontal OPE FTC
Design: Sidetrack Plan #2

Local Co-ordinate Reference: Well San Juan 32-5 Unit #111 ST
TVD Reference: KB @ 6669.0ft (KB)
MD Reference: KB @ 6669.0ft (KB)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Planned Survey

MD (ft)	TVD (ft)	Inc (°)	Azi (°)	Build (°/100ft)	N/S (ft)	E/W (ft)	V. Sec (ft)
3,900.0	3,354.0	90.00	174.04	0.00	-651.5	68.0	655.0
4,000.0	3,354.0	90.00	174.04	0.00	-750.9	78.4	755.0
4,100.0	3,354.0	90.00	174.04	0.00	-850.4	88.8	855.0
4,200.0	3,354.0	90.00	174.04	0.00	-949.9	99.2	955.0
4,300.0	3,354.0	90.00	174.04	0.00	-1,049.3	109.6	1,055.0
4,400.0	3,354.0	90.00	174.04	0.00	-1,148.8	120.0	1,155.0
4,500.0	3,354.0	90.00	174.04	0.00	-1,248.2	130.3	1,255.0
4,600.0	3,354.0	90.00	174.04	0.00	-1,347.7	140.7	1,355.0
4,700.0	3,354.0	90.00	174.04	0.00	-1,447.2	151.1	1,455.0
4,800.0	3,354.0	90.00	174.04	0.00	-1,546.6	161.5	1,555.0
4,900.0	3,354.0	90.00	174.04	0.00	-1,646.1	171.9	1,655.0
5,000.0	3,354.0	90.00	174.04	0.00	-1,745.5	182.3	1,755.0
5,100.0	3,354.0	90.00	174.04	0.00	-1,845.0	192.6	1,855.0
5,200.0	3,354.0	90.00	174.04	0.00	-1,944.5	203.0	1,955.0
5,300.0	3,354.0	90.00	174.04	0.00	-2,043.9	213.4	2,055.0
5,400.0	3,354.0	90.00	174.04	0.00	-2,143.4	223.8	2,155.0
5,500.0	3,354.0	90.00	174.04	0.00	-2,242.8	234.2	2,255.0
5,600.0	3,354.0	90.00	174.04	0.00	-2,342.3	244.6	2,355.0
5,700.0	3,354.0	90.00	174.04	0.00	-2,441.7	254.9	2,455.0
5,800.0	3,354.0	90.00	174.04	0.00	-2,541.2	265.3	2,555.0
5,900.0	3,354.0	90.00	174.04	0.00	-2,640.7	275.7	2,655.0
6,000.0	3,354.0	90.00	174.04	0.00	-2,740.1	286.1	2,755.0
6,100.0	3,354.0	90.00	174.04	0.00	-2,839.6	296.5	2,855.0
6,200.0	3,354.0	90.00	174.04	0.00	-2,939.0	306.9	2,955.0
6,300.0	3,354.0	90.00	174.04	0.00	-3,038.5	317.2	3,055.0
6,400.0	3,354.0	90.00	174.04	0.00	-3,138.0	327.6	3,155.0
6,500.0	3,354.0	90.00	174.04	0.00	-3,237.4	338.0	3,255.0
6,600.0	3,354.0	90.00	174.04	0.00	-3,336.9	348.4	3,355.0
6,700.0	3,354.0	90.00	174.04	0.00	-3,436.3	358.8	3,455.0
6,779.1	3,354.0	90.00	174.04	0.00	-3,515.0	367.0	3,534.1

TD Lateral

Energen

DIRECTIONAL PLAN

Company: Energen Resources
Project: SJBR Sec.31-T32N-R05W
Site: Eul Canyon
Well: San Juan 32-5 Unit #111 ST
Wellbore: Re-Entry Horizontal OPE FTC
Design: Sidetrack Plan #2

Local Co-ordinate Reference: Well San Juan 32-5 Unit #111 ST
TVD Reference: KB @ 6669.0ft (KB)
MD Reference: KB @ 6669.0ft (KB)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Single User Db

Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
Land Curve - plan hits target - Point	0.00	0.00	3,354.0	-252.6	26.4	2,163,750.59	1,305,337.14	36° 56' 26.794 N	107° 23' 47.795 W
TD Lateral - plan hits target - Point	0.00	0.00	3,354.0	-3,515.0	367.0	2,160,484.33	1,305,638.47	36° 55' 54.538 N	107° 23' 43.600 W
KOP - plan hits target - Point	0.00	0.00	3,100.0	0.0	0.0	2,164,003.49	1,305,313.78	36° 56' 29.292 N	107° 23' 48.120 W

Casing Points				
Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (")	Hole Diameter (")
6,779.0	3,354.0	Liner	4-1/2	6-1/4

Formations				
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°) Dip Direction (°)
3,427.4	3,344.0	Top Target Coal		0.00
	3,368.0	Base Target Coal		0.00

Checked By: _____ Approved By: _____ Date: _____

BLM CONDITIONS OF APPROVAL

CASING REPAIR, WORKOVER AND RECOMPLETION OPERATIONS:

- 1. If casing repair operations are needed, obtain prior approval from this office before commencing repairs.**
- 2. A properly functioning BOP and related equipment must be installed prior to commencing casing repair, workover and/or recompletion operations.**
- 3. This well is in a Seasonal Closure Area, adhere to closure stipulations from 11/1 thru 3/31.**

SURFACE USE OPERATIONS:

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

An agreement between operator and fee landowner will take precedence over BLM surface stipulations unless (in reference to 43 CFR Part 3160) 1) BLM determines that operator's 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: All surface areas disturbed during work-over activities and not in use for production activities will be reseeded. This should occur in the first 90 days after completion of work-over activities.

SPECIAL STIPULATIONS:

- 1. Pits will be fenced during work-over operation.**
- 2. All disturbance will be kept on existing pad.**
- 3. All pits will be pulled and closed immediately upon completion of the work-over activities.**
- 4. Pits will be lined with an impervious material at least 12 mils thick.**