

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT - " for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

ENERGEN RESOURCES CORPORATION

3. Address and Telephone No.

2198 Bloomfield Highway, Farmington, NM 87401

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

1700' FNL, 800' FWL, Sec. 34, T26N, R3W, N.M.P.M.

FORM APPROVED

Budget Bureau No. 1004-0135

Expires: March 31, 1993

5. Lease Designation and Serial No.

Jicarilla Contract 117

6. If Indian, Allottee or Tribe Name

Jicarilla Apache

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Jicarilla 117E 3A

9. API Well No.

30-039-25964

10. Field and Pool, or exploratory Area

NE Ojito Gallup-Dakota

11. County or Parish, State

Rio Arriba NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other ADD MV & Commingle
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

It is intended to ADD the Mesaverde and commingle it with the Gallup-Dakota pool as follows:

1. MIRU. TOH with tubing.
2. Set CIBP 6400'. Selectively perforate Mesaverde from 6210' - 6336'.
3. Fracture treat Mesaverde.
4. TIH and clean out to 8200'. Rerun tubing string and return to production.

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

Signed

Title Production Assistant

Date 5/24/99

(This space for Federal or State office use)

Lands and Mineral Resources

Approved by

Title

Date

MAY 27 1999

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, 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.

* See Instruction on Reverse Side

Jicarilla 117E 3A
Unit O, Section 34, T 26 N, R 3 W
Rio Arriba Co., N.M.

Subject: Economic Justification To Downhole Commingle

This subject well was drilled per a demand letter from the Bureau of Land Management to protect drainage in the Gallup-Dakota pool. the Dakota interval had no sand development on the open hole logs and the well was only completed in the Gallup. The well was produced at an average rate of 11 MCFD and 2 BOPD for one month until it loaded up with fluid and ceased to produce. It is intended to complete the Mesa Verde and utilize its flowstream to assist the uneconomic Gallup interval produce.

Since the BLM required the marginal Gallup-Dakota be drilled, it would be wasteful to plug and abandon the Gallup after only one month of production. Since this well is uneconomic and \$505,000 has been spent to test the Gallup, it is felt that commingling the Mesa Verde with the Gallup would make the well profitable and recover the maximum amount of reserves from the wellbore.

CONDITIONS OF APPROVAL FOR DOWNHOLE COMMINGLING

Operator Energen Resources Co Well Name Jic. 117E #3A

1. The individual production zones will be tested every three years, or more often if production rates indicate a change to allocation factors, to verify that the allocation factors and methods remain proper.
2. Production from downhole commingled wells are to be reported with an alpha character, "C" (ie C1, C2, etc).
3. The following modifications to your downhole commingling program are to be made :

Submit production allocation formula upon completion of testing.

Submit well bore diagram upon completion of well.