

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

1. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. SF-078244
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator Energen Resources Corporation		7. Unit or CA Agreement Name and No. 21356
3a. Address 2198 Bloomfield Highway Farmington, NM 87401		8. Lease Name and Well No. Nye Federal 10 N 84
3b. Phone No. (include area code) 505-325-6800		9. API Well No. 3004531219
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 1900' FSL, 1700' FWL At proposed prod. zone		10. Field and Pool, or Exploratory Blanco Mesaverde Basin Dakota
14. Distance in miles and direction from nearest town or post office* 5 miles southeast of La Plata, New Mexico		11. Sec., T., R., M., or Blk. and Survey or Area K Sec. 20, T31N, R12W, N.M.P.M.
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 1700'	16. No. of Acres in lease 320	12. County or Parish San Juan
17. Spacing Unit dedicated to this well 308.79 S 1/2	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1300'	13. State NM
19. Proposed Depth 5288 7265	20. BLM/BIA Bond No. on file	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6116' GL	22. Approximate date work will start* January 2003	23. Estimated duration 10 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- |                                                                                                                                                 |                                                                                                    |
|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| 1. Well plat certified by a registered surveyor.                                                                                                | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).    |
| 2. A Drilling Plan                                                                                                                              | 5. Operator certification.                                                                         |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <i>Vicki Donaghey</i>	Name (Printed/Typed) Vicki Donaghey	Date 09/27/02
Title Production Assistant		
Approved by (Signautre)	Name (Printed/Typed)	Date
Title Office		

Application approval 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.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

\*(Instructions on Reverse)

RECEIVED  
202 OCT - 1 AM 11:35  
B70 FARMINGTON, NM

NMOCD

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-102  
Revised February 21, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

District II  
PO Drawer 00, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION  
PO. Box 2088  
Santa Fe, NM 87504-2088

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

District IV  
PO Box 2088, Santa Fe, NM 87504-2088

☐ AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30-045-31219</b>		*Pool Code <b>72319</b>	*Pool Name <b>BLANCO MESAVERDE</b>
*Property Code <b>21356</b>	*Property Name <b>NYE FEDERAL</b>		*Well Number <b>1C</b>
*GRID No. <b>162928</b>	*Operator Name <b>ENERGEN RESOURCES CORPORATION</b>		*Elevation <b>6116'</b>

#### 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
K	20	31N	12W		1900	SOUTH	1700	WEST	SAN JUAN

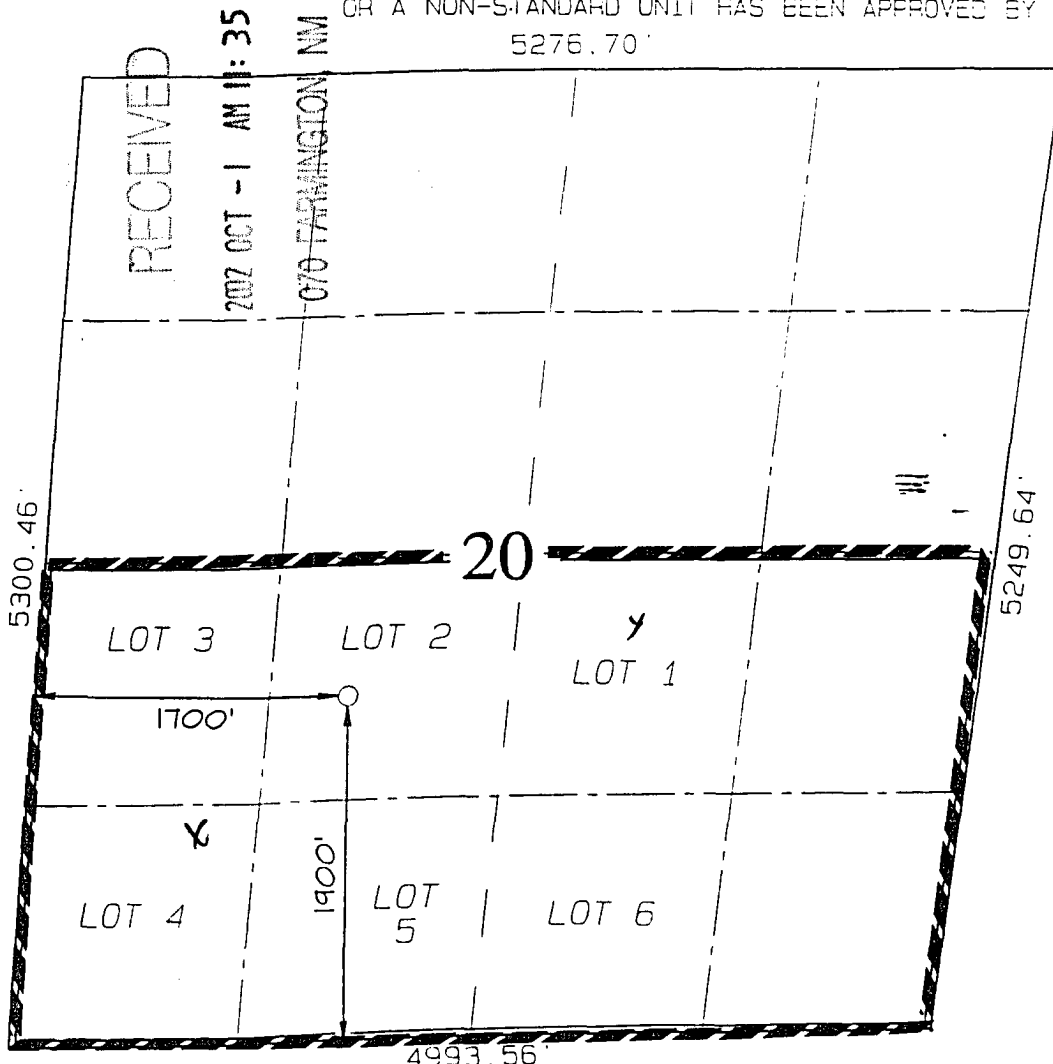
#### 11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

*Dedicated Acres <b>308.79 Acres - (S/2)</b>	*Joint or Infill	*Consolidation Code	*Order No.
-------------------------------------------------	------------------	---------------------	------------

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

5276.70'



#### 17 OPERATOR CERTIFICATION

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

*Don Graham*  
Signature

Don Graham  
Printed Name

Production Superintendent  
Title

9-20-02  
Date

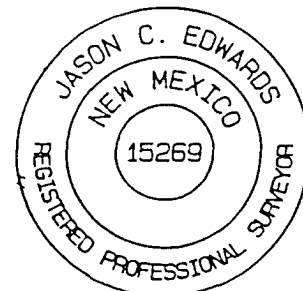
9-20-02  
Date

#### 18 SURVEYOR CERTIFICATION

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.

Date of Survey: JULY 24, 2002

Signature and Seal of Professional Surveyor



*JASON C. EDWARDS*  
Certificate Number 15269

District I  
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals & Natural Resources Department

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number <b>30045-31219</b>		*Pool Code <b>72319/71599</b>	*Pool Name <b>Blanco Mesaverde / Basin Dakota</b>
*Property Code <b>21356</b>	*Property Name <b>NYE FEDERAL</b>		*Well Number <b>1C</b>
*OGRID No. <b>162928</b>	*Operator Name <b>ENERGEN RESOURCES CORPORATION</b>		*Elevation <b>6116'</b>

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot 10n	Feet from the	North/South line	Feet from the	East/West line	County
K	20	31N	12W		1900	SOUTH	1700	WEST	SAN JUAN

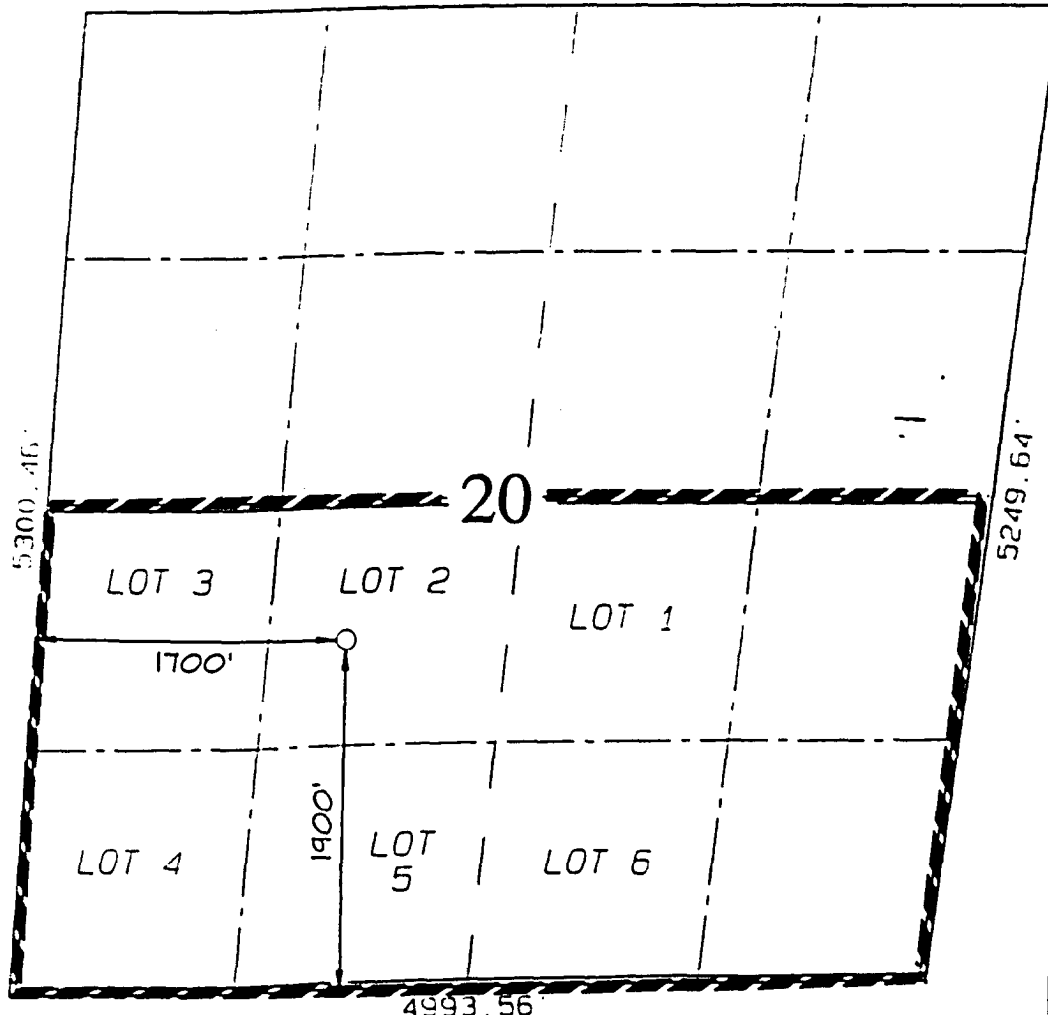
<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 10n	Feet from the	North/South line	Feet from the	East/West line	County

*Dedicated Acres <b>306.79 Acres - (S/2)</b>	*Joint or Infill	*Consolidation Code	*Order No.
-------------------------------------------------	------------------	---------------------	------------

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

5276.70'



<sup>12</sup> OPERATOR CERTIFICATION

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

Don Graham  
Signature

Don Graham  
Printed Name

Production Superintendent  
Title

7-20-02  
Date

<sup>13</sup> SURVEYOR CERTIFICATION

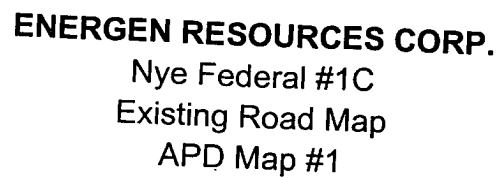
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief.

Date of Survey: JULY 24, 2002

Signature and Seal of Professional Surveyor



JASON C. EDWARDS  
Certificate Number 15269



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

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 reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

ENERGEN RESOURCES CORPORATION

3a. Address

2198 Bloomfield Highway, Farmington, NM 87401

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

1900' FSL, 1700' FWL, Sec. 20, T31N, R12W, N.M.P.M.

5. Lease Serial No.

SF-078244

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Nye Federal 1C

9. API Well No.

10. Field and Pool, or Exploratory Area

Blanco MV/Basin DK

11. County or Parish, State

San Juan 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.)

Upon further geologic review, it was determined this well has additional potential in the Basin Dakota Formation. Please amend the previously submitted drilling permit to take this well to the Dakota. It is intended to complete both the Dakota & Mesa Verde and downhole commingle the production. The well name will be changed to Nye Federal 1N.

A revised well location plat and operations plan are attached.

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

Vicki Donaghey

Title

Production Assistant

Date 10/25/02

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ David J. Mankiewicz

Title

Date

DEC - 2 2002

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.

## OPERATIONS PLAN

WELL NAME: Nye Federal #1C

LOCATION: 1900' FSL, 1700' FWL, Section 20, T31N, R12W, Rio Arriba, New Mexico

FIELD: Basin Dakato/Blanco Mesaverde

ELEVATION: 6116' GL

### FORMATION TOPS:

Surface	San Jose	Huerfanito Benonite	3213
Ojo Alamo	653	Cliff House	4028
Kirtland	768	Menefee	4228
Fruitland	2048	Point Lookout	4838
Pictured Cliffs	2498	Mancos Sh	5178
Lewis	2748	Graneros	6682
		Dakota	6990
		Total Depth	7250

### LOGGING PROGRAM:

Open Hole Logs:

Surface to intermediate: None

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

Mud Logs: None

Coring: None

Natural Gauges: Every 500' from intermediate TD to total depth

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

### CASING PROGRAM:

<u>HOLE SIZE</u>	<u>DEPTH</u>	<u>CSG SIZE</u>	<u>WT.</u>	<u>GRADE</u>
12-1/4"	200'	9-5/8"	36#	J-55
8-3/4"	4200'	7"	23#	J-55
6-1/4"	4050'-7250'	4-1/2"	11.6#	J-55

### TUBING PROGRAM:

7150'	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

First Stage - cement with 105 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. (329 cu. Ft. of slurry, 50% excess to circulate to stage tool @ 2740').

Second Stage - cement with 290 sks 65/35 Class B Poz with 6% gel, 2% calcium chloride, 10% gilsonite, and 1/4# flocele/sk. Tail with 50 sks Class B w/2% calcium chloride, 10% gilsonite and 1/4# flocele/sk. (618 cu. ft. of slurry, 50% excess to circulate to surface). WOC 12 hrs.

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. One centralizer below and 5 above stage at 2350'. Two turbolating centralizers at the base of the Ojo Alamo. 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.

#### 4 1/2 Production Liner

Cement with 390 sks 50/50 poz with 2% gel, 5 PPS gilsonite, .4% halad - 9 and 1/4# flocele/sk ( 492 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 700, Pictured Cliffs is 400 and the Fruitland 300 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.