

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

APR 23 2012

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

Farmington Field Office
Bureau of Land Management

SUBMIT IN TRIPLICATE - Other instructions on page 2

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)

1,190' FNL 790' FEL, Section 31 T32N R4W

5. Lease Serial No.

NM 30015

6. If Indian, Allottee or Tribe Name

Farmington Field Office
Bureau of Land Management

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

8. Well Name and No.

Carracas 31 B #1

9. API Well No.

30-039-25872

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

☐ 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 requests that the subject well be changed from the previously completed Temporary Abandon (see Sundry dated 7/6/2011) and be allowed to produce. The well was originally TA'd due to sharing the same spacing unit with the Carracas 31 B #16H horizontal new drill. Energen has recieved a Simultaneous Dedication approval from NMOCD (SD-201125) that allows us to resume production on the Carracas 31 B #1

Please see attached for procedure and approved SD order.

RCVD MAY 2 '12

OIL CONS. DIV.

DIST. 3

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

Justin Anchors

Title District Engineer

Signature



Date 4/19/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

APR 25 2012

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

“WORK SMART/WORK SAFE”

Recommended Work over Procedure

Carracas 31 B #1

API No. 30-039-25872

DP# 3125872A

AFE# SJ12-158

NOTE: See pertinent data for physical well data.

1. MIRU WSU. ND WH. NU BOP.
2. MIRU TBG scanner. POOH w/ TBG. Scan while POOH. Lay down bad TBG. RDMO TBG scanner.
3. PU workstring and TIH.
4. MIRU air package. Circulate packer fluid out of casing w/ air mist. POOH w/ workstring.
5. PU drill out BHA and TIH w/ workstring. Verify CBP set @ 3910'. Drill out CBP while circulating air mist. POOH w/ workstring. RDMO air package
6. TIH w/ clean out BHA and TIH w/ workstring. Verify PBTD of 4050.
7. Swab in well and observe fluid level. If fluid entry into well is limited, acid job will be needed.
8. TIH w/ BHA and production TBG (Verify BHA and setting depth with foreman).
9. If needed, swab in well to bring it around.
10. ND BOP. NU WH. TIH w/ new pump and rods.
11. Seat pump. Load TBG. Pressure test to 500 psig.
12. Long stroke pump w/ rig to verify pump action.
13. Space out pump. RDMO WSU.
14. Turn well over to production.

File

New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



September 28, 2011

Energen Resources Corporation
Attn: Mr. David M. Poage

Administrative Order SD-201125
Administrative Application Reference No. pTGW11-25146224

ADMINISTRATIVE SIMULTANEOUS DEDICATION ORDER

Operator: **Energen Resources Corporation**
OGRID: 162928

Subject Wells

Carracas Unit 31B Well No. 1 (existing vertical)
API No. 30-039-25462

1190 feet FNL & 790 feet FEL
Unit A, Section 31-32N-4W
Rio Arriba County, New Mexico

Carracas 31B Well No. 16H (recently drilled horizontal)
API No. 30-039-30701

Rio Arriba County, New Mexico

Surface location

970 feet FSL & 815 feet FEL (Unit P) Section 30-32N-4W

Penetration Point

110 feet FNL & 1611 feet FEL (Unit B) Section 31-32N-4W

Terminus

2063 feet FSL & 1020 feet FEL (Unit I) Section 31-32N-4W

Oil Conservation Division
1220 South St. Francis Drive • Santa Fe, New Mexico 87505
Phone (505) 476-3440 • Fax (505) 476-3462 • www.emnrd.state.nm.us/OCD



Subject Unit

E/2 Section 31

320 acres

Basin Fruitland Coal Gas Pool (71629)

Reference is made to your application filed on September 8, 2011.

You have requested to simultaneously dedicate the Subject Unit to the Subject Wells.

The Subject Unit is a standard 320-acre, more or less, gas spacing unit in the above-identified pool. Applicable well density rules for this pool allow two wells to be completed in the unit, but require that the wells be in different quarter sections. Because the new well will be completed within both quarter sections of this 320-acre unit, division approval for simultaneous dedication is required.

Your application has been duly filed under the provisions of Division Rules 15.11.C [19.15.15.11.C NMAC] and 4.12.A [19.15.4.12.A NMAC].

It is our understanding you have proposed the simultaneous dedication of this unit to the Subject Wells for geological reasons, in order to prevent waste and maximize production from this unit. We further understand that you have given due notice of this application to all offsetting operators and owners who are affected persons.

Pursuant to the authority granted by Rule 15.11.C, the above-described simultaneous dedication is hereby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,



Jami Bailey
Director

JB/db

cc: New Mexico Oil Conservation Division – Aztec
United States Bureau of Land Management