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FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

070 Farmington, NM

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER

b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☒ Single Zone ☐ Multiple Zone

2. Name of Operator

ENERGEN RESOURCES CORPORATION

3a. Address

c/o Walsh Engineering, 7415 E. Main, Farmington, NM 87402

3b. Phone No. (include area code)
(505) 327-4892

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface 660' FSL and 890' FEL

At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office*

4 miles south of Farmington, NM

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)

660'

16. No. of Acres in lease

279.52 +

17. Spacing Unit dedicated to this well

279.52 acres (Entire Section 8)

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft.

1900'

19. Proposed Depth

1855' +/-

20. BLM/BIA Bond No. on file

21. Elevations (Show whether DF, KDB, RT, GL, etc.)

6027' GL

22. Approximate date work will start*

June 1, 2003

23. Estimated duration

1 week

24. Attachments

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

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

25. Signature Paul C. Thompson Name (Printed/Typed) Paul C. Thompson, P.E. Date 4/24/03

Title

Agent

Approved by (Signature) [Signature] Name (Printed/Typed) [Signature] Date 6-29-05

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)

DRILLING OPERATIONS ARE
SUBJECT TO COMPLY WITH ATTACHED
"GENERAL REQUIREMENTS".

NMOCD

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.2
and appeal pursuant to 43 CFR 3165.4

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

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

District III
1000 Rio Brazos Rd., Aztec, NM 87401

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

State of New Mexico
Energy, Minerals & Natural Resources Department

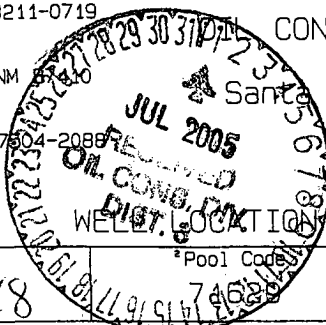
Form C-102
Revised February 21, 1994

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

CONSERVATION DIVISION

PO Box 2088
Santa Fe, NM 87504-2088

☐ AMENDED REPORT



WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-045-31648		Pool Code 74628	Pool Name BASIN FRUITLAND COAL
Property Code 21180	Property Name C.J. HOLDER		Well Number 102
GRID No. 162928	Operator Name ENERGEN RESOURCES CORPORATION		Elevation 6027'

10 Surface Location

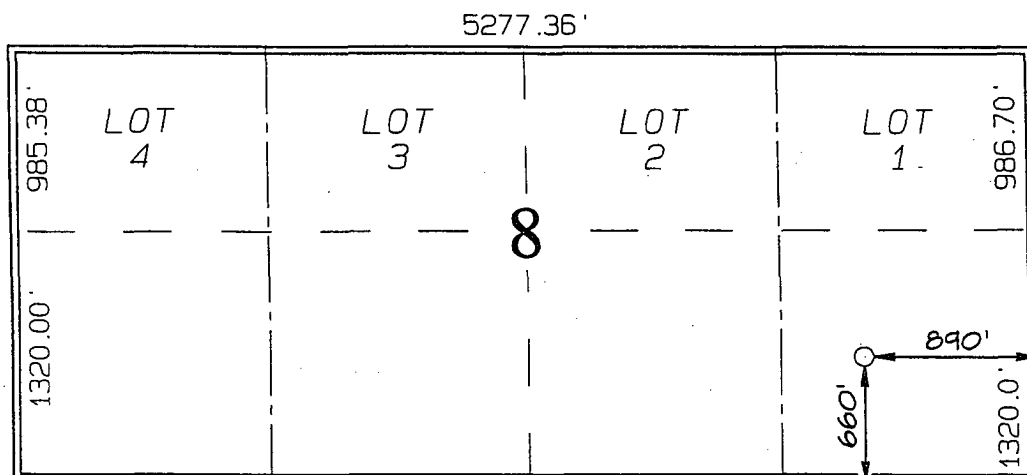
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	8	28N	13W		660	SOUTH	890	EAST	SAN JUAN

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

12 Dedicated Acres 279.52 ACRES - (Entire Section)	13 Joint or Infill N	14 Consolidation Code	15 Order No.
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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



5276.04'

070 Farmington, NM

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17 OPERATOR CERTIFICATION

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

Paul C. Thompson
Signature

PAUL C. THOMPSON
Printed Name

AGENT
Title

4/24/03
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.

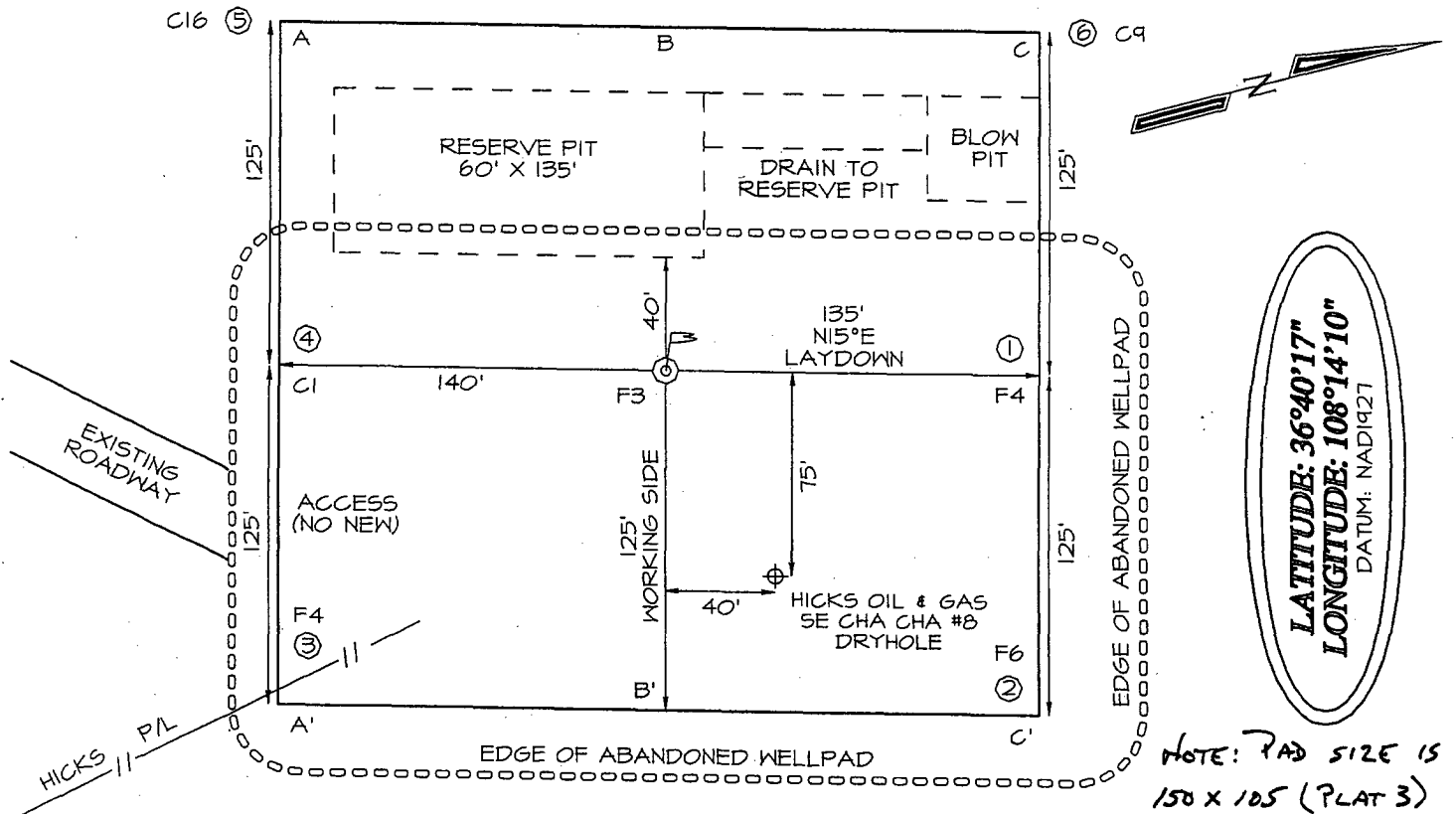
Date of Survey: MARCH 3, 2003

Signature and Seal of Professional Surveyor



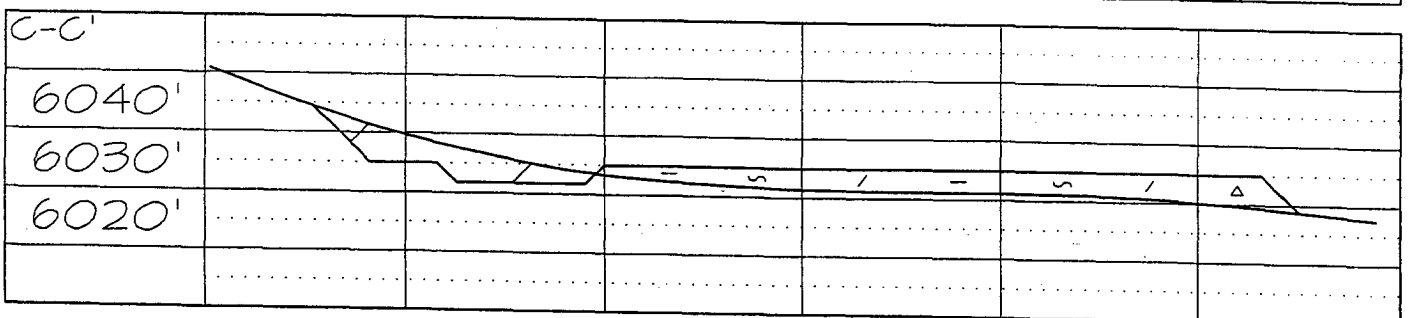
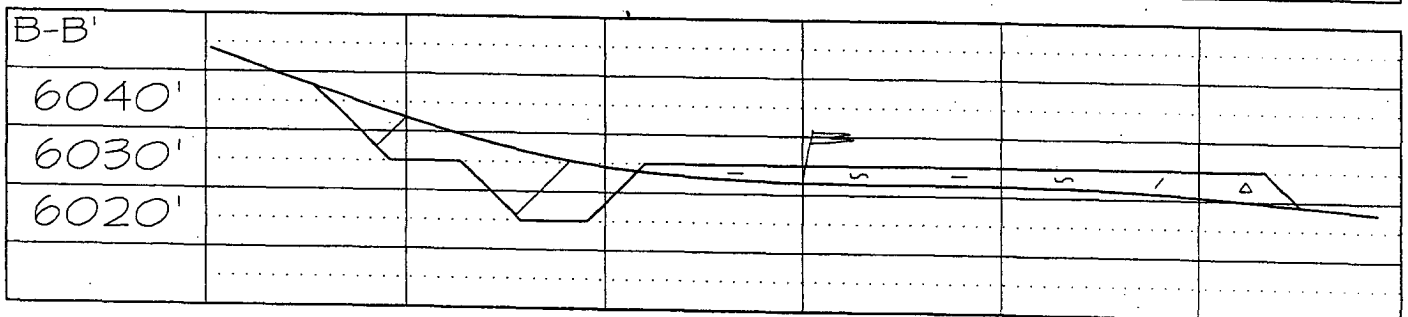
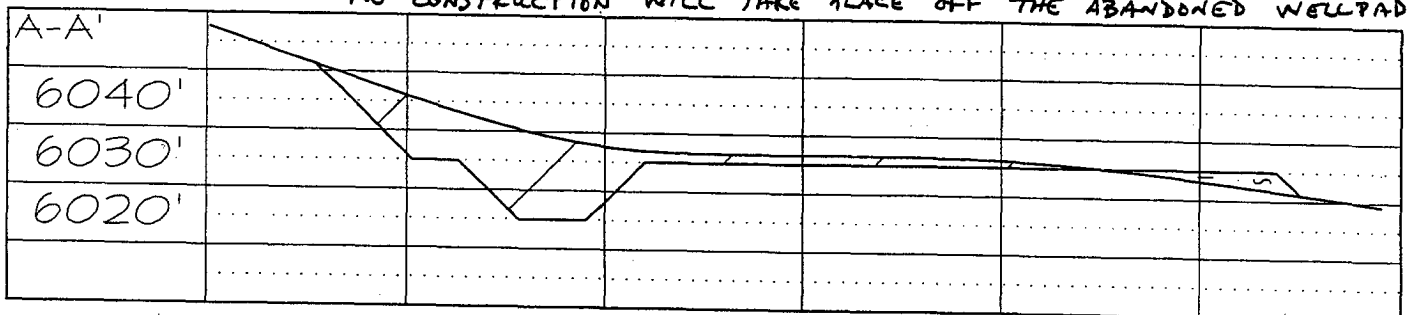
JASON C. EDWARDS
Certificate Number 15269

ENERGEN RESOURCES CORPORATION C.J. HOLDER #102
660' FSL & 690' FEL, SECTION 8, T28N, R13W, NMPM
SAN JUAN COUNTY, NEW MEXICO GROUND ELEVATION: 6027'



NOTE: PAD SIZE IS
150 X 105 (PLAT 3)

NO CONSTRUCTION WILL TAKE PLACE OFF THE ABANDONED WELLPAD



ENERGEN RESOURCES CORP.
OPERATIONS PLAN
C. J. Holder #102

I. Location: 660' FSL & 890' FEL Date: April 24, 2003
Sec 8 T28N R13W
San Juan County, NM

Field: Basin Fruitland Coal Elev: GL 6027'
Surface: Bureau of Land Management
Minerals: Federal SF 077968

II. Geology: Surface formation _ Nacimiento

<u>A. Formation Tops</u>	<u>Depths</u>
Ojo Alamo	229'
Kirtland	349'
Fruitland	1319'
Pictured Cliffs	1654'
Total Depth	1855'

Estimated depths of anticipated water, oil, gas, and other mineral bearing formations which are expected to be encountered:

Water and gas - 1319' and 1654'.

- B. Logging Program: Induction/GR and density logs at TD.
- C. No over pressured zones are expected in this well. No H₂S zones will be penetrated in this well. Max. BHP = 600 psig.

III. Drilling

A. Contractor:

B. Mud Program:

The surface hole will be drilled with a fresh water mud.

The production hole will be drilled with a fresh water polymer mud. The weighting material will be drill solids or if conditions dictate, barite. The maximum mud weight expected is 8.5 ppg.

C. Minimum Blowout Control Specifications:

Double ram type or annular type 2000 psi working pressure BOP with a rotating head. See the attached exhibit #1 for details on the BOP equipment. All ram type preventers and related equipment will be hydraulically tested at nipple-up and after any use under pressure to 1000 psi.

C. Cont.

The blind rams will be hydraulically activated and checked for operational readiness each time pipe is pulled out of the hole. All checks of the BOP stack and equipment will be noted on the daily drilling report. The BOP equipment will include a kelly cock, floor safety valve, and choke manifold all rated to 2000 psi.

IV. Materials

A. Casing Program:

Hole Size	Depth	Casing Size	Wt. & Grade
8-3/4"	120'	7"	20# K-55
6-1/4"	1855'	4-1/2"	10.5# K-55

B. Float Equipment:

a) Surface Casing: None

b) Production Casing: 4-1/2" cement guide shoe and self fill insert float collar. Place float one joint above shoe. Five centralizers spaced every other joint above shoe and five turbolizers every other joint from the top of the well.

V. Cementing:

Surface casing: 7" - Use 50 sx (59 cu. ft.) of Cl "B" with ¼ #/sk celloflake and 2% CaCl₂ (Yield = 1.18 cu. ft./sk; slurry weight = 15.6 PPG). 100% excess to circulate cement to surface. WOC 12 hours. Pressure test surface casing to 600 psi for 30 min.

Production Casing: 4-1/2" - Before cementing circulate hole with at least 1-1/2 hole volumes of mud. Precede cement with 30 bbls of fresh water. **Lead** with 130 sx (268 cu.ft) of Cl "B" with 2% metasilicate and ¼ #/sk celloflake. (Yield = 2.06 cu.ft./sk; slurry weight = 12.5 PPG). **Tail** with 100 sx (118 cu.ft.) of Cl "B" with ¼ #/sk celloflake (Yield = 1.18 cu. ft./sk; slurry weight = 15.6 PPG). Total cement volume is 386 cu.ft. (100% excess to circulate cement to surface).

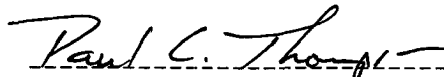

Paul C. Thompson, P.E.

EXHIBIT
Energen Resources, Inc.

Well Control Equipment Schematic for 2M Service

Attachment to Drilling Technical Program

Typical BOP setup

Location: San Juan Basin, New Mexico

Date: March, 2003

By: John Thompson (Walsh E&P)

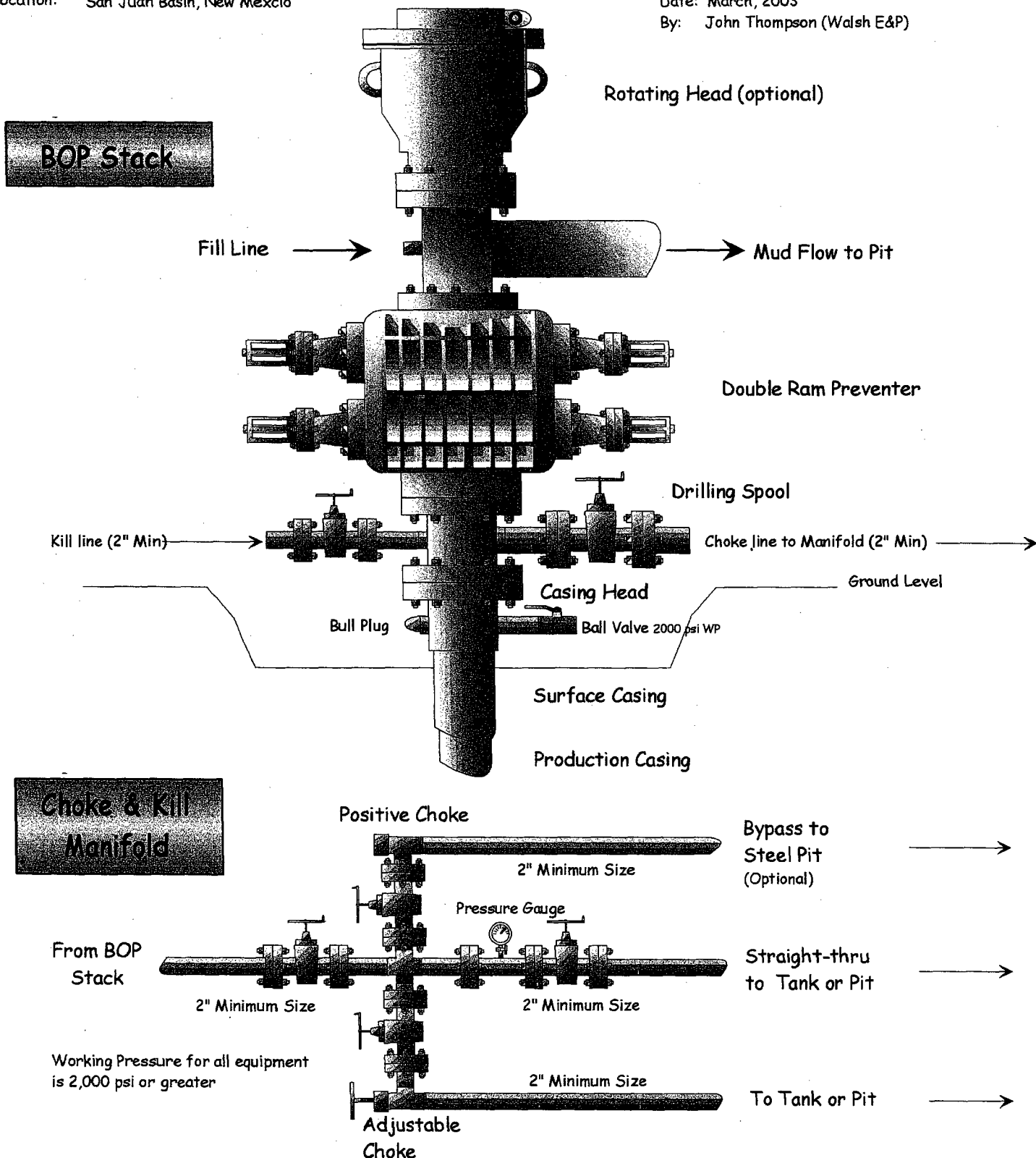


EXHIBIT #2

2

2

ANNULAR PREVENTER

