

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 87240
District II
1301 W. Grand Ave., 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 and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-045-08707
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other	7. Lease Name or Unit Agreement Name: Schultz Com C
2. Name of Operator Energen Resources Corporation	8. Well Number 7
3. Address of Operator 2198 Bloomfield Highway, Farmington, NM 87401	9. OGRID Number 162928
4. Well Location Unit Letter <u>L</u> : <u>1850'</u> feet from the <u>South</u> line and <u>990'</u> feet from the <u>West</u> line Section <u>02</u> Township <u>29N</u> Range <u>10W</u> NMPM County <u>San Juan</u>	10. Pool name or Wildcat Aztec Pictured Cliffs
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5858' GL	
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/> Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____	

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>
OTHER: <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Energen Resources will plug and abandon this well as per the attached plugging procedure.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE Vicki Donaghey TITLE Regulatory Analyst DATE 08/01/05

Type or print name Vicki Donaghey

E-mail address: vdonaghe@energen.com
Telephone No. 505.325.6800

For State Use Only

APPROVED BY H. Villanueva

DEPUTY OIL & GAS INSPECTOR, DIST. 4B

DATE AUG - 1 2005

Conditions of Approval, if any:

PLUG AND ABANDONMENT PROCEDURE

July 28, 2005

Schultz Com C #7

Aztec Pictured Cliffs

1850' FSL & 990' FWL, Section 2, T29N, R10W
San Juan County, New Mexico, API #30-045-08707

NOTE: WELL HAS H₂S

Note: All cement volumes use 100% excess outside pipe and 50' excess inside pipe. The stabilizing wellbore fluid will be 8.3 ppg, sufficient to balance all exposed formation pressures. All cement will be ASTM Type III, mixed at 14.8 ppg with a 1.32 cf/sx yield.

1. Install and test location rig anchors. Prepare blow pit. Comply with all NMOCD, BLM, and Energen safety regulations. MOL and RU daylight pulling unit. Conduct safety meeting for all personnel on location. NU relief line and blow down well; kill with water as necessary.
2. PU on rods and unseat pump to insure they are free. Re-seat pump and pressure test tubing to 1000#. POH and LD rods and pump.
3. ND wellhead and NU BOP. Test BOP. TOH and tally 75 joints 2.375" tubing, total 2372' with SN at 2333'. If necessary LD tubing and PU workstring.
4. **Plug #1 (Pictured Cliffs perforations and Fruitland top, 2272' – 1975')**: TIH and set 5.5" CIBP (if tubing tested) or CR at 2272'. Pressure test tubing to 1000#. Load casing with water and circulate well clean. Pressure test casing to 500#. *If casing does not test, then spot or tag subsequent plugs as appropriate.* Mix 36 sxs cement and spot a balanced plug inside the casing above CR to isolate the Pictured Cliffs perforations and to cover the Fruitland top. TOH with tubing.
5. **Plug #2 (Kirtland and Ojo Alamo tops, 1335' – 1070')**: Perforate 3 squeeze holes at 1335'. Attempt to establish rate into squeeze holes if the casing pressure tested prior to perforating. Set 5.5" cement retainer at 1285'. Establish rate into squeeze holes. Mix and pump 103 sxs cement, squeeze 70 sxs outside the casing and leave 33 sxs inside casing to cover the Kirtland and Ojo Alamo top. TOH and LD tubing.
6. **Plug #3 (8.625" casing shoe and surface, 151' - Surface)**: Connect the pump line to the bradenhead valve and load the BH annulus, note volume. Attempt to pressure test the BH annulus to 300#. If it tests, then with tubing at 151', establish circulation out casing valve with water. Mix approximately 20 sxs cement and fill the 5.5" casing to surface, circulate good cement out casing valve. TOH and LD tubing. Shut well in and WOC. If the BH annulus does not test, then perforate at the appropriate depth and spot a plug from 151' to surface inside and fill the BH annulus with cement, circulate cement to surface. TOH and LD tubing. Shut in well.
7. ND BOP and cut off wellhead below surface casing flange. Install P&A marker with cement to comply with regulations. RD, MOL and cut off anchors. Restore location per BLM stipulations.