

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

MAR 27 2015

Lease Serial No.
NMSF080245

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.

6. If Indian, Allottee or Tribe Name

N/A

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

N/A

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.
Federal 29-9-28 #2

2. Name of Operator

Energen Resources Corporation

9. API Well No.
3004528740

3a. Address

2010 Afton Place Farmington, New Mexico 87401

3b. Phone No. (include area code)

(505) 324-4141

10. Field and Pool or Exploratory Area
Basin Fruitland Coal

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

1000' FSL & 810' FWL Section 28-29N-9W

11. County or Parish, State

San Juan County, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input checked="" type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Energen Resources proposes to MIRU and test the subject well for a suspected casing leak. The work will be conducted in accordance with the attached procedure. If the casing is compromised and cement squeeze work is required, Energen will contact your office and provide specific details regarding the condition of the casing and proposed cement squeeze work required.

OIL CONS. DIV DIST. 3

MAR 27 2015

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Title Senior District Engineer

Signature

Date 03/26/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Troy Salvors

Title PE

Date 3/27/2015

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 FFO

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 page 2)

NMOCDV

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Energen Resources
Federal 29-9-28 #2,
API # 3004528740
1000' FSL and 810' FWL Section 28-29N-9W
Federal Oil and Gas Lease: NMSF080245.

Casing Repair Procedure

1. MIRU Service Unit, pump, pipe rack and flowback tank. Tally at least two extra joints of 2 3/8" tbg., to tag for fill
2. Record bradenhead, casing and tbg pressures. If bradenhead pressure is present contact Engineer with results. Blow well to tank and kill well with 2% KCL or produced water as necessary.
3. Pressure test rod pump to 500#.
4. TOH with rods and pump and note condition while laying down
5. NU BOPE and test BOPE and tbg., to 1500#.
6. Unseat tbg., remove doughnut and tag for fill.
7. POOH with tbg and visually inspect for scale, corrosion and holes. If scale is encountered contact Engineer for further analysis. Record depth(s) encountered.
8. PU bit and scraper and ream to +- 2100' (perfs @ 2136 to 2254' gross). Note: if well cannot hold a column of water an air package will be required. Note any tight spots while reaming.
9. POOH and LD tbg, bit and scraper.
10. If tbg condition is poor throughout, PU work string for the testing operation. MU 5 1/2" RBP and set at +- 2100'. PT RBP and the tbg backside (casing PT) to 1000#. If casing fails, dump 10 gallons of 20/40 frac sand on top of RBP or per onsite Tool Company personnel recommendations. MU and RIH with 5 1/2" packer (tension) and set at +- 1050'. Pressure test below the packer to 1000# for 30 minutes and record pressures over the test period.
11. Open the bradenhead valve. PT casing above the packer to 1000# for 30 minutes and monitor the bradenhead for flow and the tbg for signs of a tbg leak.
If no flow is evident out the bradenhead valve but the annulus does not pressure test, adjust packer routine by pulling half the tubing string out of the hole and repeating the test procedure until the hole(s) are located.
12. If holes are located, establish a rate into the holes and record rate, pressure and whether or not cement circulates to surface. Cement squeeze design will be based on the above results and actual squeeze procedure will be submitted to the BLM and NMOCD for verbal approval. Squeeze per Service Company design recommendations.
13. After adequate WOC, DO cement and any cement stringers until bit freely drops past the cement squeeze.
14. Pressure test casing to 500# for 30 minutes and chart results. If pressure falls more than 10 percent after the 30 minute test period, re-squeeze as necessary after consultation with the Engineer.
15. After adequate test, RIH with retrieving head and circulate sand off RBP, TOO H with RBP.

16. RIH with production string after replacing any bad joints of tbg noted.
17. ND BOPE and TIH with pump and rods per Production Superintendent's specifications.
18. Turn well over to LO

BLM CONDITIONS OF APPROVAL

CASING REPAIR, WORKOVER AND RECOMPLETION OPERATIONS:

1. If casing repair operations are needed, obtain prior approval from this office before commencing repairs. If a CBL or other logs are run, provide this office with a copy.
2. After any casing repair operations, test cement squeeze to a minimum of 500# for 30 minutes with no more than 10 % pressure fall off in the 30 minute test period. Provide test chart with your subsequent report of operations
3. A properly functioning BOP and related equipment must be installed prior to commencing workover, casing repair, and/or recompletion operations.
4. Contact this office at (505) 564-7750 prior to conducting any cementing operations:

SPECIAL STIPULATIONS:

1. Pits will be fenced during work-over operation.
2. All disturbance will be kept on existing pad.
3. All pits will be pulled and closed immediately upon completion of the recompletion and work-over activities.
4. Pits will be lined with an impervious material at least 12 mils thick.