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

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

Form C-103
June 19, 2008

WELL API NO. 30-039-31309

5. Indicate Type of Lease STATE ☐ FEE ☒

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.)

7. Lease Name or Unit Agreement Name: Many Canyons 24-03 8

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

8. Well Number #4H

2. Name of Operator: Energen Resources Corporation

9. OGRID Number: 162928

3. Address of Operator: 2010 Afton Place, Farmington, NM 87401

10. Pool name or Wildcat: West Lindrith Gallup-Dakota

4. Well Location

Unit Letter P : 1230 feet from the South line and 716 feet from the East line

Section 8 Township 24N Range 03W NMPM County Rio Arriba

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 6878' GL

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER: Measurement Installment ☒		OTHER: ☐	

OIL CONS. DIV DIST. 3
AUG 21 2015

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 is hereby requesting authorization to install a gas lift artificial lift and measurement system on the subject well. Meters will be calibrated upon installation and quarterly thereafter. The gas measurement skid will utilize both a sales and buy back metering system. Four check valves will be installed, one upstream and the other downstream of each orifice meter to prevent gas by-pass. Attached for your review is a detailed process flow diagram and measurement and reporting methodology. Utilizing this method of artificial lift and measurement will allow Energen to optimize well performance and maximize oil and gas recovery while maintaining system measurement accuracy and production accountability. * if purchased gas is used for more than completion activities more permitting may be required.

Spud Date: 07/01/15 Rig Release Date:

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

SIGNATURE Anna Stotts TITLE Regulatory Analyst DATE 8/20/15

astotts@energen.com

Type or print name Anna Stotts E-mail address: PHONE 324-4154

For State Use Only

APPROVED BY Bob Pell TITLE DEPUTY OIL & GAS INSPECTOR DISTRICT #3 DATE 9/31/15

Conditions of Approval (if any): * See above

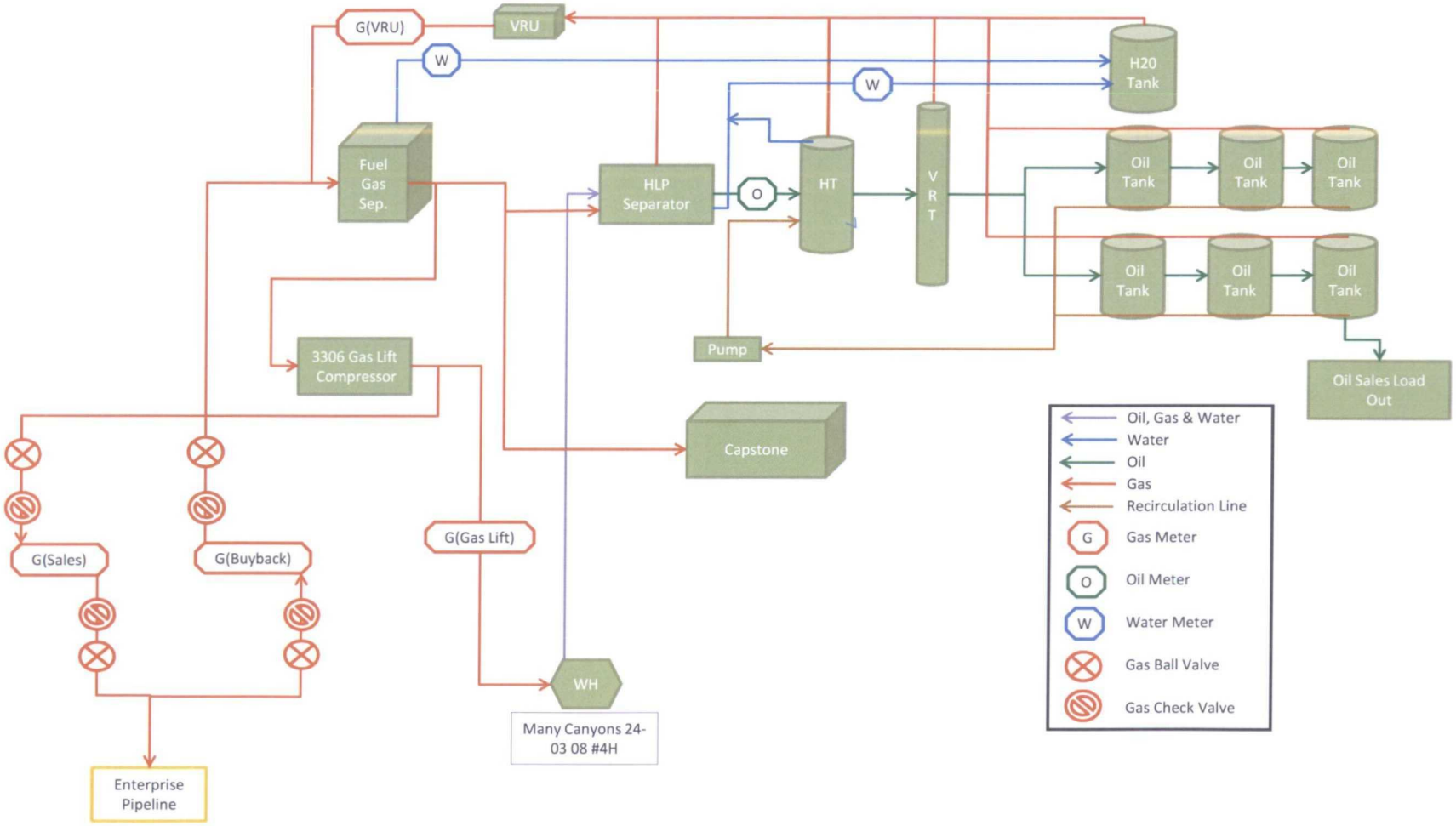
AV

3

PROCESS FLOW DIAGRAM

Many Canyons 24-03 08 #4H

Energen Resources



Many Canyons 24-03 08 #4H
Production Reporting Methodology

GL1 = Gas volume for gas lift injection
S1 = Gas volume from sales allocation meter
BB1 = Gas volume from buyback meter for gas lift
B = On lease fuel
C = Purged/vented gas
Ball valve
Check valve

SG = Sales gas production for facility	SG = (S1-BB1)
TGp = Total gas production	TGp = (S1-BB1) + B + C