

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires March 31, 2007

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. 28812
2. Name of Operator Energen Resources Corporation		6. If Indian, Allottee or Tribe Name
3a. Address 2198 Bloomfield Highway, Farmington, NM 87401	3b. Phone No. (include area code) 505.325.6800	7. If Unit or CA/Agreement, Name and/or No. 354
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1500' FNL, 1020' FEL NE/4 (H) S35, T32N, R5W		8. Well Name and No. Carracas 35A #8
		9. API Well No. 30-039-24411
		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	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 type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" 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 recompleate 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 recompleation 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 Resources proposes a recompleation of the Carracas 35A #8 in the Basin Fruitland Coal by drilling a horizontal lateral off the existing vertical wellbore as indicated on the attached C-102 and directional wellplan. A whipstock will be set at 3420' +/- (TVD) and a window milled in the existing 5 1/2" casing. The lateral will be drilled to 4688' (MD), 3672' (TVD). This will be an open hole completion. 2 3/8" tubing will be landed at 3670' (TVD) in the 5 1/2" casing.

CONDITIONS OF APPROVAL

Adhere to previously issued stipulations

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Nathan Smith	Title Drilling Engineer
<i>Nathan Smith</i>	Date 3/20/06

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by <i>Math Hallen</i>	Title PETR ENG	Date 3/28/06
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 BLM-FFO	

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes 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.

NMOC

District I -
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, 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 & Natural Resources

Form C-102
Revised June 10, 2003

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

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

RECEIVED

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-24411	² Pool Code 71629	³ Pool Name Basin xx Fruitland Coal
⁴ Property Code	⁵ Property Name Carracas 35 A	⁶ Well Number 8
⁷ GRID No. 162928	⁸ Operator Name Energen Resources Corporation	⁹ Elevation 6910

¹⁰ Surface Location

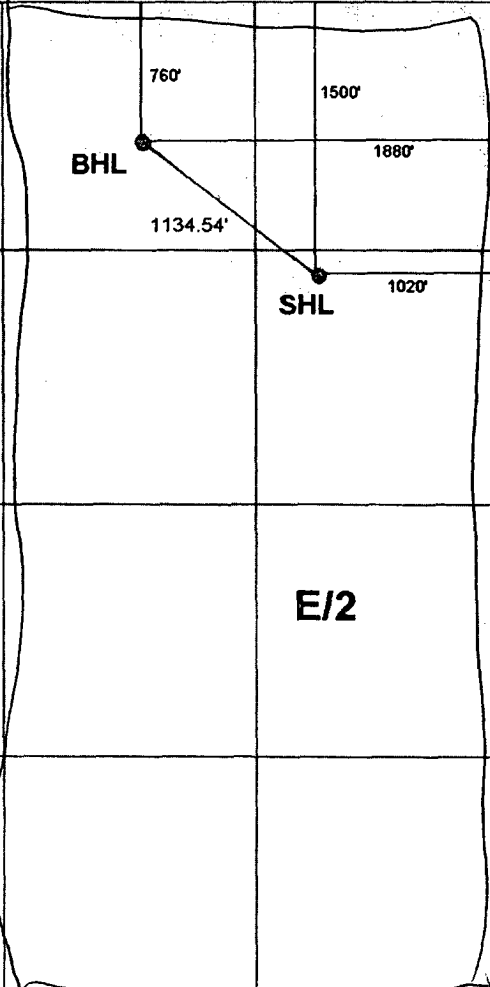

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	35	32N	5W		1500	North	1020	East	Rio Arriba

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
B	35	32N	5W		760	North	1880	East	Rio Arriba

¹² Dedicated Acres 320.96 <i>E/2</i>	¹³ Joint or Infill	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

¹⁶		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Nathan Smith Printed Name Drilling Engineer Title and E-mail Address 2/22/2006 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. September 1, 1988 Date of Survey Signature and Seal of Professional Surveyor Original survey for wellpad done by Edgar L. Risenhoover NM Surveyor # 5979 Certificate Number



Energen Resources Corporation

**Rio Arriba, NM
Sec.35 T32N-R5W
Carracas 35-A #8
Wellbore #1**

Plan: Plan #1

Standard Planning Report

01 March, 2006

Database: EDM 2003.14 Single User Db
 Company: Energen Resources Corporation
 Project: Rio Arriba, NM
 Site: Sec.35 T32N-R5W
 Well: Carracas 35-A #8
 Wellbore: Wellbore #1
 Design: Plan #1

Local Co-ordinate Reference: Well Carracas 35-A #8
 TVD Reference: WELL @ 0.0ft (Original Well Elev)
 MD Reference: WELL @ 0.0ft (Original Well Elev)
 North Reference: True
 Survey Calculation Method: Minimum Curvature

Project	Rio Arriba, NM		
Map System:	US State Plane 1927 (Exact solution)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	New Mexico Central 3002		

Site	Sec.35 T32N-R5W		
Site Position:		Northing:	ft
From:	Map	Easting:	ft
Position Uncertainty:	0.0 ft	Slot Radius:	"
		Latitude:	30° 59' 24.511 N
		Longitude:	107° 50' 44.190 W
		Grid Convergence:	-0.82 °

Well	Carracas 35-A #8		
Well Position	+N-S	0.0 ft	Northing:
	+E-W	0.0 ft	Easting:
Position Uncertainty	0.0 ft	Wellhead Elevation:	ft
		Latitude:	30° 59' 24.511 N
		Longitude:	107° 50' 44.190 W
		Ground Level:	0.0 ft

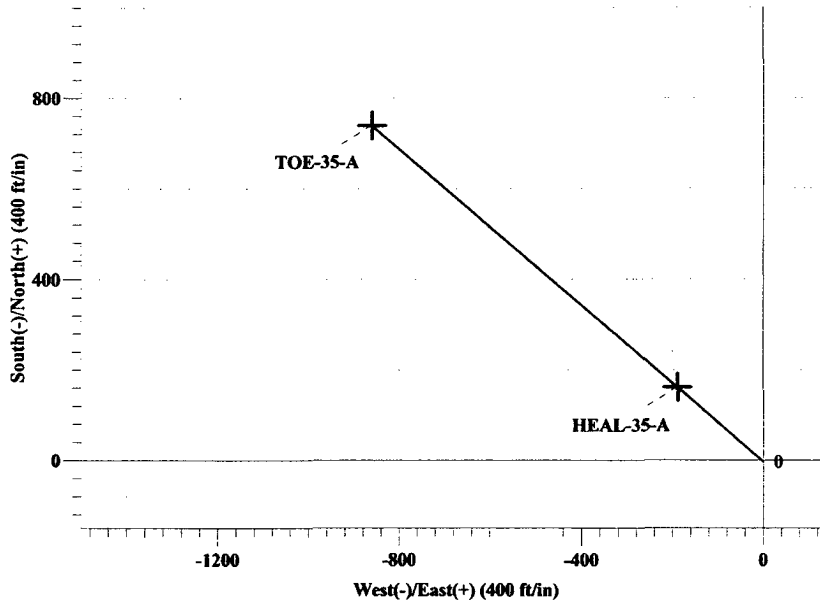
Wellbore	Wellbore #1		
Magnetics	Model Name	Sample Date	Declination
			(°)
	IGRF2005	3/1/2006	9.78
			Dip Angle
			(°)
			58.28
			Field Strength
			(nT)
			47,833

Design	Plan #1		
Audit Notes:			
Version:	Phase:	PROTOTYPE	Tie On Depth:
			0.0
Vertical Section:	Depth From (TVD)	+N-S	+E-W
	(ft)	(ft)	(ft)
	0.0	0.0	0.0
			Direction
			(°)
			310.71

Plan Sections										
Measured	Inclination	Azimuth	Vertical	+N-S	+E-W	Dogleg	Build	Turn	TFO	Target
Depth	(°)	(°)	Depth	(ft)	(ft)	Rate	Rate	Rate	(°)	
(ft)			(ft)			(°/100ft)	(°/100ft)	(°/100ft)		
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
3,412.0	0.00	0.00	3,412.0	0.0	0.0	0.00	0.00	0.00	0.00	
3,803.1	90.00	310.71	3,661.0	162.4	-188.7	23.01	23.01	0.00	310.71	HEAL-35-A
4,688.7	90.00	310.71	3,661.0	740.0	-860.0	0.00	0.00	0.00	0.00	TOE-35-A

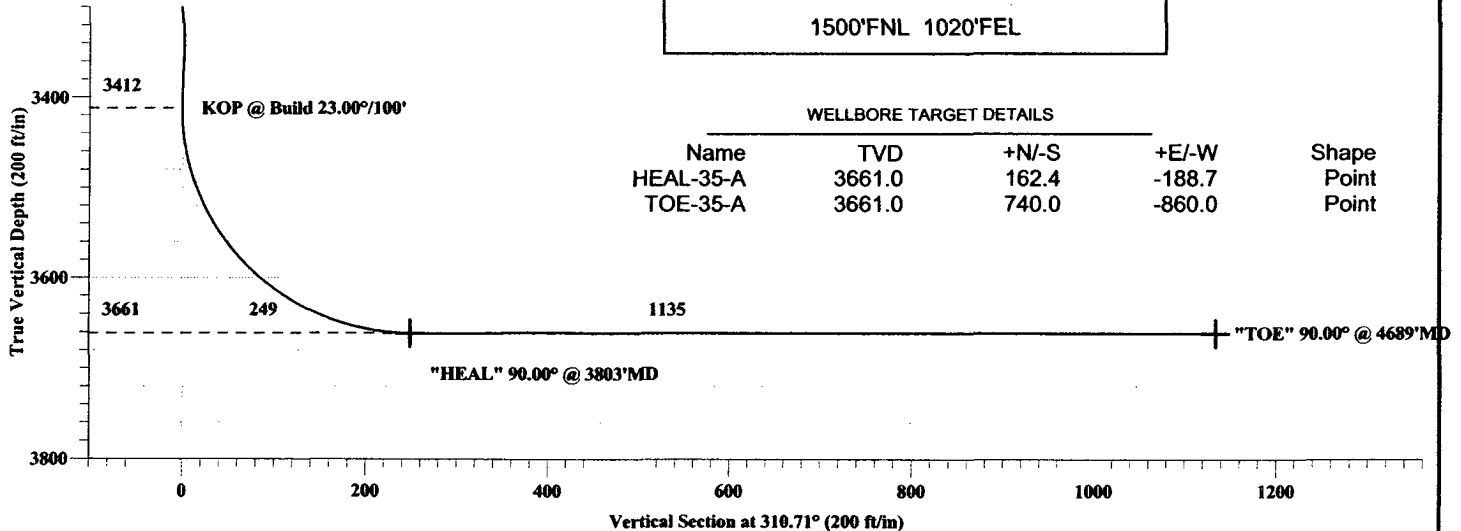
Energen Resources Corp.

Carracas 35-A #8
Sec.35 T32N-R5W
RIO ARRIBA Co., NM



SURFACE LOCATION: Carracas 35-A #8

1500'FNL 1020'FEL



WELLBORE TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Shape
HEAL-35-A	3661.0	162.4	-188.7	Point
TOE-35-A	3661.0	740.0	-860.0	Point

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	3412.0	0.00	0.00	3412.0	0.0	0.0	0.00	0.00	0.0	
3	3803.1	90.00	310.71	3661.0	162.4	-188.7	23.01	310.71	249.0	HEAL-35-A
4	4688.7	90.00	310.71	3661.0	740.0	-860.0	0.00	0.00	1134.6	TOE-35-A

Plan: Plan #1 (Carracas 35-A #8/Wellbore #1)

Created By: Frank C. Scardino Date: 1/5/2006

Database: EDM 2003.14 Single User Db
 Company: Energen Resources Corporation
 Project: Rio Arriba, NM
 Site: Sec.35 T32N-R5W
 Well: Carracas 35-A #8
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 Design: Plan #1

Local Co-ordinate Reference: Well Carracas 35-A #8
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 MD Reference: WELL @ 0.0ft (Original Well Elev)
 North Reference: True
 Survey Calculation Method: Minimum Curvature

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
3,412.0	0.00	0.00	3,412.0	0.0	0.0	0.0	0.00	0.00	0.00
KOP @ Build 23.00°/100'									
3,420.0	1.84	310.71	3,420.0	0.1	-0.1	0.1	23.01	23.01	0.00
3,440.0	6.44	310.71	3,439.9	1.0	-1.2	1.6	23.01	23.01	0.00
3,460.0	11.04	310.71	3,459.7	3.0	-3.5	4.6	23.01	23.01	0.00
3,480.0	15.65	310.71	3,479.2	6.0	-7.0	9.2	23.01	23.01	0.00
3,500.0	20.25	310.71	3,498.2	10.0	-11.7	15.4	23.01	23.01	0.00
3,520.0	24.85	310.71	3,516.6	15.0	-17.5	23.1	23.01	23.01	0.00
3,540.0	29.45	310.71	3,534.4	21.0	-24.4	32.2	23.01	23.01	0.00
3,560.0	34.06	310.71	3,551.4	27.9	-32.4	42.7	23.01	23.01	0.00
3,580.0	38.66	310.71	3,567.5	35.6	-41.4	54.6	23.01	23.01	0.00
3,600.0	43.26	310.71	3,582.6	44.1	-51.3	67.7	23.01	23.01	0.00
3,620.0	47.86	310.71	3,596.6	53.4	-62.1	81.9	23.01	23.01	0.00
3,640.0	52.46	310.71	3,609.4	63.5	-73.8	97.3	23.01	23.01	0.00
3,660.0	57.07	310.71	3,621.0	74.1	-86.1	113.6	23.01	23.01	0.00
3,680.0	61.67	310.71	3,631.2	85.3	-99.2	130.8	23.01	23.01	0.00
3,700.0	66.27	310.71	3,639.9	97.0	-112.8	148.8	23.01	23.01	0.00
3,720.0	70.87	310.71	3,647.3	109.2	-126.9	167.4	23.01	23.01	0.00
3,740.0	75.47	310.71	3,653.0	121.7	-141.4	186.5	23.01	23.01	0.00
3,760.0	80.08	310.71	3,657.3	134.4	-156.2	206.1	23.01	23.01	0.00
3,780.0	84.68	310.71	3,659.9	147.3	-171.2	225.9	23.01	23.01	0.00
3,800.0	89.28	310.71	3,661.0	160.4	-186.4	245.9	23.01	23.01	0.00
3,803.1	90.00	310.71	3,661.0	162.4	-188.7	249.0	23.01	23.01	0.00
"HEAL" 90.00° @ 3803°MD - HEAL-35-A									
3,900.0	90.00	310.71	3,661.0	225.6	-262.2	345.9	0.00	0.00	0.00
4,000.0	90.00	310.71	3,661.0	290.8	-338.0	445.9	0.00	0.00	0.00
4,100.0	90.00	310.71	3,661.0	356.0	-413.8	545.9	0.00	0.00	0.00
4,200.0	90.00	310.71	3,661.0	421.3	-489.6	645.9	0.00	0.00	0.00
4,300.0	90.00	310.71	3,661.0	486.5	-565.4	745.9	0.00	0.00	0.00
4,400.0	90.00	310.71	3,661.0	551.7	-641.2	845.9	0.00	0.00	0.00
4,500.0	90.00	310.71	3,661.0	616.9	-717.0	945.9	0.00	0.00	0.00
4,600.0	90.00	310.71	3,661.0	682.1	-792.8	1,045.9	0.00	0.00	0.00
4,688.7	90.00	310.71	3,661.0	740.0	-860.0	1,134.6	0.00	0.00	0.00
"TOE" 90.00° @ 4689°MD - TOE-35-A									

Targets

Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
- hit/miss target									
- Shape									
HEAL-35-A	0.00	0.00	3,661.0	162.4	-188.7	165.10	-186.40	30° 59' 26.118 N	107° 50' 46.357 W
- plan hits target									
- Point									
TOE-35-A	0.00	0.00	3,661.0	740.0	-860.0	752.26	-849.30	30° 59' 31.834 N	107° 50' 54.068 W
- plan hits target									
- Point									

Database: EDM 2003.14 Single User Db
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Well: Carracas 35-A #8
Wellbore: Wellbore #1
Design: Plan #1

Local Co-ordinate Reference: Well Carracas 35-A #8
TVD Reference: WELL @ 0.0ft (Original Well Elev)
MD Reference: WELL @ 0.0ft (Original Well Elev)
North Reference: True
Survey Calculation Method: Minimum Curvature

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
3,412.0	3,412.0	0.0	0.0	KOP @ Build 23.00°/100°
3,803.1	3,661.0	162.4	-188.7	"HEAL" 90.00° @ 3803'MD
4,688.7	3,661.0	740.0	-860.0	"TOE" 90.00° @ 4689'MD

Bureau of Land Management Conditions of Approval:

- 1) If cement squeeze work is necessary, contact Matt Halbert of the BLM Farmington Field Office @ (505) 599-6350.**
- 2) Pits must be lined with an impervious material at least 12 mils thick. The pit must be fenced on three (3) sides during workover operations and on the 4th side after the rig moves off location. Pits must be closed within 90 days of completion of the workover operations. Prior to closing the pit the liner must be cut off at mud level.**