

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

ENERGEN RESOURCES CORPORATION

3a. Address

2010 Afton Place, Farmington, NM 87401

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

1100' ENL, 1460' FEL, Unit B Sec. 06, T25N, R07W N.M.P.M.

5. Lease Serial No.

NMSE-080375E

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No

Sheets C 7

9. API Well No.

30-039-06184

10. Field and Pool, or Exploratory Area
Pictured Cliffs

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

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☒ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

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 shall 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 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 plans to Plug and Abandon the Sheets C 7 according to the attached procedure.

RCVD FEB 25 '08

OIL CONS. DIV.

DIST. 3

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

Kirt Snyder

Title

District Engineer

Date

2/11/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Original Signed: Stephen Mason

Title

Date

FEB 21 2008

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

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

PLUG AND ABANDONMENT PROCEDURE

January 31, 2008

Sheets C #7

Ballard Pictured Cliffs

1100' FNL & 1460' FEL, Section 6, T25N, R7W

Rio Arriba County, New Mexico, API #30-039-06184

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 G, mixed at 15.8 ppg with a 1.15 cf/sx yield.

1. Project will require a Pit Permit (C103) from the NMOCD.
2. Install and test location rig anchors. Prepare and line a waste fluid 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.
3. TOH and visually inspect 1.25" tubing, SN at 2732', total 2735'. If necessary LD tubing and PU a workstring. ND wellhead and NU BOP. Test BOP. Round trip a 5.5" casing scraper or wireline gauge ring to 2692'.
4. **Plug #1 (Pictured Cliffs interval, Fruitland top, and ~~Kirtland top~~, 2692' – 2452')**: TIH and set 5.5" CR at 2692'. 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 69 sxs Type G cement and spot above CR to cover through the ~~Kirtland~~ top. PUH. 2391'
5. **Plug #2 (Ojo Alamo top, ~~1890'~~ – 1790')**: Mix ~~18~~ sxs Type III cement and spot a plug inside the casing to cover the Ojo Alamo top. TOH and LD tubing. Kirtland 2170 1871' and outside
6. **Plug #3 (Nacimiento top and 8.625" Surface Casing, ~~331'~~ – Surface)**: Perforate 3 squeeze holes at 331'. Establish circulation out bradenhead with water. Circulate the BH annulus clean. Mix and pump approximately 115 sxs cement down 5.5" casing to circulate good cement out the bradenhead. SI well and WOC. 410'
7. ND BOP and cut off casing below surface casing flange. Install P&A marker with cement to comply with regulations. RD, move off location, cut off anchors and restore location.

Sheets C #7

Proposed P&A

Ballard Pictured Cliffs

1100'FNL & 1460 'FEL, NE, Section 6, T-25-N, R-7-W

Rio Arriba County, NM / API #30-39-06184

Today's Date: 1/31/08

Spud: 3/23/56

Completion: 4/12/56

Elevation: 6882'

Nacimiento @ 281'

Ojo Alamo @ 1840'

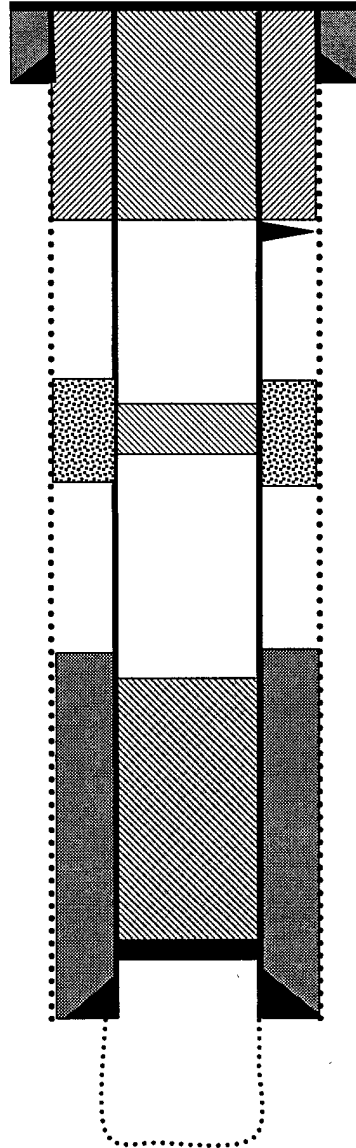
Kirtland @ 2202'

Fruitland @ 2394'

Pictured Cliffs @ 2668'

12.25" hole

7.875" hole



8.625" 24# J-55 Casing set @ 104'
Cement with 70 sxs (Circulated to Surface)

Plug #3: 331'– 0'
Type G cement, 115 sxs
Perforate @ 331'

Plug #2: 1890'– 1790'
Type G cement, 18 sxs
Casing leak 1842' – 1873'
Sqzd w/ 150 sxs (2001)

TOC @ 2142' (Calc, 75%)

Plug #1: 2692'– 2152'
Type G cement, 69 sxs

Set CR @ 2692'

5.5" 15.5# J-55 Casing set @ 2742'
Cemented with 100 sxs

TD 2778'

**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
FARMINGTON DISTRICT OFFICE
1235 LA PLATA HIGHWAY
FARMINGTON, NEW MEXICO 87401**

Attachment to notice of
Intention to Abandon:

Re: Permanent Abandonment
Well: 7 Sheets C

CONDITIONS OF APPROVAL

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. Farmington Office is to be notified at least 24 hours before the plugging operations commence (505) 599-8907.
3. The following modifications to your plugging program are to be made:
 - a) Place the Pictured Cliffs/Fruitland plug from 2692' - 2391'.
 - b) Place the Kirtland/Ojo Alamo plug from 2170' – 1871' inside and outside the 5 ½" casing.
 - c) Place the Nacimiento/Surface plug from 410' to surface inside and outside the 5 ½" casing.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.