Form 3160-5 (August 2007)

REGENCED **UNITED STATES**

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

AUG 0 6 2008

FORM APPROVED OMB NO. 1004-0137 Expires July 31, 2010

5. Lease Serial No

NMSF 081181

SUNDRY NOTICES AND REPORTS ON WEILES! of Land Management Do not use this form for proposals to drill or to re-enter an 6 If Indian, Allottee or Tribe Name abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No **SUBMIT IN TRIPLICATE - Other instructions on page 2** San Juan 32-5 Unit 1. Type of Well 8. Well Name and No. Oil Well X Gas Well Other San Juan 32-5 Unit 107S 2. Name of Operator Energen Resources Corporation 9. API Well No. 3a. Address 3b. Phone No. (include area code) 30-039-27407 2010 Afton Place, Farmington, NM 87401 (505) 325-6800 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Basin Fruitland Coal 26-320-60 875 FSL, 780 FEL 11. County or Parish, State Rio Arriba 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION X Notice of Intent Acidize Production (Start/Resume) Water Shut-Off Deepen Alter Casing Fracture Treat Reclamation Well Integrity Subsequent Report Casing Repair New Construction Recomplete Other Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Plug Back Water Disposal Convert to Injection 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 recomplete 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 recompletion 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 would like to re-complete the San Juan 32-5 Unit #107S as follows: *Set a plug and whipstock at 2829' TVD and mill a window from 2829' - 2817'. *Drill a curve and horizontal lateral to a MD of 5372' (3035' TVD) with a BHL of 2540 FSL, 2540 FEL. *Line the lateral with a perforated 4 1/2", 11.60 ppf, J-55 LTC liner string. Attached is a revised C-102 and directional plan depicting this recompletion. A COMPLETE C-144 MUST BE SUBMITTED TO AND Hold C104 APPROVED BY THE NMOCD FOR: A PIT, CLOSED LOOP SYSTEM, BELOW GRADE TANK, OR for Directional Survey PROPOSED ALTERNATIVE METHOD, PURSUANT TO **RCVD AUG 11'08** and "As Drilled" plat NMOCD PART 19.15.17, PRIOR TO THE USE OR NOTIFY AZTEC OCD 24 HRS. OIL CONS. DIV. CONSTRUCTION OF THE ABOVE APPLICATIONS. PRIOR TO CASING & CEMENT DIST. 3 14. I hereby certify that the foregoing is true and correct Name (*Printed/Typed*) Title Nathan Smith Drilling Engineer Signature Date 8/5/08

THIS SPACE FOR FEDERAL OR STATE OFFICE USE Title Approved by AUG 0 7 2009 Original Signed: Stephen Mason Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that Office the applicant holds legal or equitable title to those rights in the subject lease which would

entitle the applicant to conduct operations thereon. 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, <u>District I</u>
1625 N. French Dr., Hobbs, NM 88240
<u>District II</u>
1301 W. Grand Avenue, Artesia, NM 88210
<u>District III</u>
1000 Rio Brazos Rd., Aztec, NM 87410
<u>District IV</u>

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

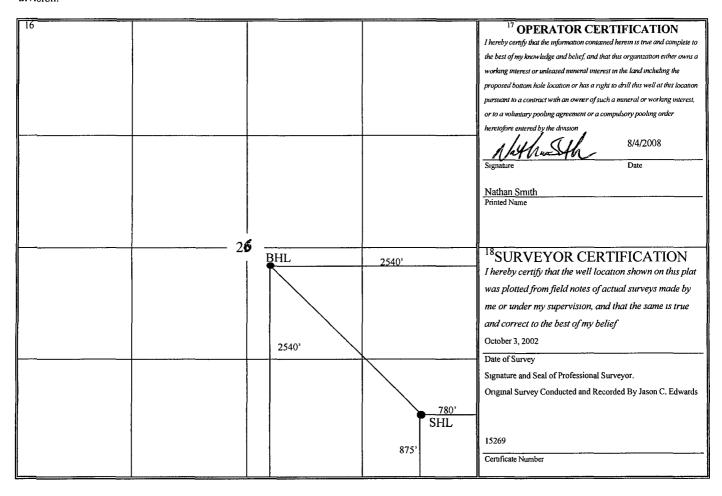
Form C-102 Revised October 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

MENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-27407				² Pool Code	•	³ Pool Name Basin Fruitland Coal					
	0-039-27407			71629	id Coal						
⁴ Property Code			⁵ Property Name								
					San Juan 32		#107S				
7 OGRID No.			B Operator Name								
162928 Energen Resources Corporation							6348' GL				
					10 Surface	Location		1			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
P	26	32N 6W			875	South	780	East	Rio Arriba		
			¹¹ Bo	ottom Ho	le Location I	f Different From	n Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
J	26	32N	6W		2540	South	2540	East	Rio Arriba		
Dedicated Acres	13 Joint or	Infill 14 C	onsolidation	Code 15 Or	der No.		<u>-</u>				

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.



SJ BR

SE Sec 26, T32N, R6W Eul Canyon San Juan 32-5 Unit #107S Proposed Sidetrack

Plan: Plan #1

Planned Wellpath

05 August, 2008

Project: SE Sec 26, T32N, R6W

Site: Eul Canyon

Well: San Juan 32-5 Unit #107S

Wellbore: Proposed Sidetrack

Plan: Plan #1 (San Juan 32-5 Unit #107S/Proposed Sidetrack)

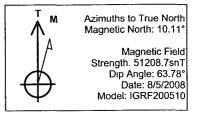
PROJECT DETAILS: SE Sec 26, T32N, R6W

Geodetic System: US State Plane 1983

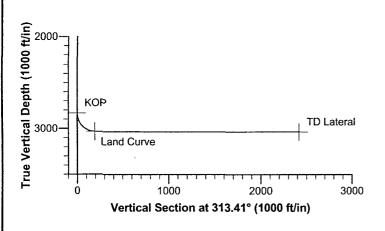
Datum: North American Datum 1983

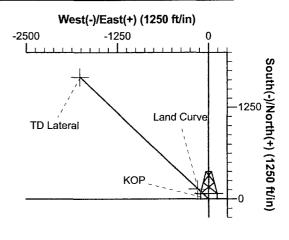
Ellipsoid: GRS 1980 Zone: New Mexico Central Zone

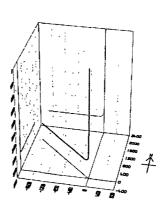
System Datum: Mean Sea Level



					SECTION	DETAILS	i			
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	2835.0	0.00	0.00	2835.0	0.0	0.0	0.00	0.00	0.0	KOP
3	3148.6	89.85	313.25	3035.0	136 <i>.</i> 7	-145.3	28.65	313.25	199.5	Land Curve
4	5371.9	90.15	313.60	3035.0	1665.0	-1760.0	0.02	50.00	2422.8	TD Lateral







Energen

Planned Wellpath

Company:

SJ BR

SE Sec 26, T32N, R6W

Project: Site: Eul Canyon

Well:

San Juan 32-5 Unit #107S Wellbore: Proposed Sidetrack

Design:

Plan #1

Local Co-ordinate Reference: Well San Juan 32-5 Unit #107S

TVD Reference: MD Reference:

KB @ 6363.0ft (Drilling Rig) KB @ 6363.0ft (Drilling Rig)

North Reference:

Survey Calculation Method:

Database:

Minimum Curvature

EDM 2003.16 Single User Db

Project

SE Sec 26, T32N, R6W

Map System: Geo Datum:

Map Zone:

US State Plane 1983 North American Datum 1983 New Mexico Central Zone

System Datum:

Mean Sea Level

Site

Eul Canyon

Site Position:

Northing:

2,165,969.54ft

Latitude:

From:

Lat/Long

Easting:

1,298,445.79ft

Longitude:

True

36° 56' 47.904 N

Position Uncertainty:

Slot Radius:

Grid Convergence:

107° 25' 13.008 W

-0.70°

Well

San Juan 32-5 Unit #107S

Well Position

+N/-S +E/-W 0.0 ft 0.0 ft

0.0 ft

Northing: Easting:

2,165,969.54 ft 1,298,445.79 ft Latitude: Longitude: 36° 56' 47.904 N

6,348.0 ft

Position Uncertainty

0.0 ft

Wellhead Elevation:

8/5/2008

6,348.0 ft

10.11

Ground Level:

107° 25' 13.008 W

51,209

Wellbore

Proposed Sidetrack

Magnetics

Model Name

IGRF200510

Sample Date

Declination (°)

Field Strength

(nT)

Design

Plan #1

Audit Notes:

Version:

Phase:

PROTOTYPE

Tie On Depth:

0.0

63.78

Vertical Section:

Depth From (TVD) (ft)

0.0

+N/-S (ft) 0.0

«+E/-W (ft) 0.0

Direction ા(°) 🖂

313.41

Survey Tool Program Date 8/5/2008 From (ft) Survey (Wellbore)

Tool Name

Description

0.0

5,371.9 Plan #1 (Proposed Sidetrack)

Planned Survey					-		* ·
MD (ft)	TVD (ft)	inc (°)	Azi (°)	Build (°/100ft)	V. Sec (ft)	N/S (ft)	E/W (ft)
2,000.0	2,000.0	0.00	0.00	0.00	0.0	0.0	0.0
2,100.0	2,100 0	0.00	0.00	0.00	0.0	0.0	0.0
2,200 0	2,200 0	0.00	0.00	0.00	0.0	0.0	0.0
2,300 0	2,300.0	0.00	0.00	0.00	0.0	0.0	0.0
2,400.0	2,400.0	0.00	0.00	0.00	0.0	0.0	0.0
2,500.0	2,500.0	0.00	0.00	0.00	0.0	0.0	0.0
2,600 0	2,600.0	0.00	0.00	0.00	0.0	0.0	0.0
2,700 0	2,700.0	0.00	0.00	0.00	0.0	0.0	0.0
2,800.0	2,800.0	0.00	0.00	0.00	0.0	0.0	0.0
2,835 0	2,835.0	0.00	0.00	0.00	0.0	0 0	0.0
КОР							
2,840 0	2,840.0	1.43	313.25	28 65	0.1	0.0	0.0

Energen

Planned Wellpath

Company:

SJ BR

Project:

SE Sec 26, T32N, R6W

Site:

Eul Canyon Well: San Juan 32-5 Unit #107S

Wellbore: Design:

Proposed Sidetrack

Plan #1

Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference: True

Database:

Well San Juan 32-5 Unit #107S

KB @ 6363.0ft (Drilling Rig) KB @ 6363.0ft (Drilling Rig)

Survey Calculation Method: Minimum Curvature

EDM 2003.16 Single User Db

-					× , ' ' ' ' '	the state of the	
MD (ft)	TVD (ft)	Inc (°)	Azi (°)	Build (°/100ft)	V. Sec	N/S (ft)	E/W (ft)
2,860.0	2,859.9	7.16	313.25	28.65	(ft) 1.6	1.1	-1.1
2,880.0	2,839.9	12.89	313.25	28.65	5.0	3.5	-3.7
2,900.0	2,898.9	18.62	313.25	28.65	10.5	7.2	-3.7 -7.6
2,920.0	2,090.9	24.35	313.25	28.65	17.8	12.2	-13.0
2,920.0	2,917.5	24.30	313.25	20.00	17.0	12.2	
2,940 0	2,935.2	30.08	313.25	28.65	26.9	18.5	-19.6
2,960.0	2,952.0	35.81	313.25	28.65	37.8	25.9	-27.5
2,980.0	2,967.6	41.54	313.25	28.65	50.3	34.5	-36.6
3,000.0	2,981.9	47.27	313.25	28.65	64.3	44.0	-46.8
3,020.0	2,994.7	53.00	313.25	28 65	79 6	54.6	-58.0
3,040.0	3,005.9	58.73	313.25	28.65	96.2	65.9	-70.1
3,060.0	3,015.5	64.46	313.25	28.65	113 8	77.9	-82.9
3,080.0	3,023.2	70.19	313.25	28.65	132.2	90.6	-96.3
3,100.0	3,029.0	75.92	313.25	28.65	151.3	103.7	-110.2
3,120.0	3,032.9	81.65	313.25	28.65	170.9	117.1	-124.5
3,140.0	3,034.8	87.38	313.25	28.65	190.8	130.8	-139.0
3,148.6	3,035.0	89.85	313 25	28.65	199.5	136.7	-145.3
Land Curve							
3,200 0	3,035.1	89.86	313.26	0.01	250 8	171.9	-182.7
3,300.0	3,035.4	89 87	313.27	0.01	350.8	240.4	-255.5
3,400.0	3,035.6	89.89	313.29	0.01	450.8	309.0	-328.3
3,500.0	3,035.8	89.90	313.30	0.01	550.8	377.5	-401.1
3,600.0	3,035.9	89.91	313.32	0.01	650.8	446.1	-473.9
3,700.0	3,036.1	89 93	313 34	0.01	750.8	514.8	-546.6
3,800.0	3,036 2	89.94	313.35	0.01	850.8	583.4	-619.3
3,900.0	3,036.3	89.95	313.37	0.01	950.8	652.1	-692.0
4,000.0	3,036.4	89.97	313.38	0.01	1,050.8	720.7	-764.7
4,100.0	3,036.4	89.98	313.40	0.01	1,150.8	789.4	-837.4
4,200.0	3,036.4	89.99	313.42	0.01	1,250.8	858.2	-910.0
4,300.0	3,036.4	90.01	313.43	0.01	1,350.8	926.9	-982 7
4,400.0	3,036.4	90.02	313.45	0.01	1,450.8	995.7	-1,055.3
4,500.0	3,036.4	90.03	313.46	0.01	1,550.8	1,064 4	-1,127.9
4,600.0	3,036.3	90.05	313.48	0.01	1,650.8	1,133.2	-1,200.4
4,700.0	3,036.2	90.06	313.50	0.01	1,750.8	1,202.1	-1,273.0
4,800.0	3,036.1	90.07	313.51	0.01	1,850.8	1,270.9	-1,345.5
4,900.0	3,036.0	90 09	313.53	0.01	1,950.8	1,339.8	-1,418.0
5,000.0							
	3,035.8	90.10	313.54	0.01	2,050.8	1,408.6	-1,490.5
5,100.0	3,035.6	90.11	313.56	0.01	2,150.8	1,477.5	-1,563.0
5,200.0	3,035.4	90.13	313.58	0.01	2,250.8	1,546.5	-1,635 5
5,300.0 5,371.0	3,035.2	90.14	313.59	0 01	2,350.8	1,615.4	-1,707.9
5,371.9	3,035.0	90.15	313.60	0.01	2,422.8	1,665.0	-1,760.0

Energen

Planned Wellpath

Company:

SJ BR

Project:

SE Sec 26, T32N, R6W

Site: Well: Eul Canyon

San Juan 32-5 Unit #107S

Wellbore: Design:

Proposed Sidetrack Plan #1

Local Co-ordinate Reference:

TVD Reference:

MD Reference:

North Reference:

Survey Calculation Method:

Database:

Well San Juan 32-5 Unit #107S

KB @ 6363.0ft (Drilling Rig)

KB @ 6363.0ft (Drilling Rig)

[₹] True

Minimum Curvature

EDM 2003.16 Single User Db

Targets								**************************************	
Target Name - hit/miss target - Shape	Dip Angle	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
TD Lateral - plan hits target - Point	0.00	0.00	3,035.0	1,665.0	-1,760.0	2,167,656.02	1,296,706.37	36° 57′ 4.366 N	107° 25' 34.690 W
Land Curve - plan hits target - Point	0.00	0.00	3,035.0	136.7	-145.3	2,166,107.99	1,298,302.18	36° 56' 49.255 N	107° 25' 14.798 W
KOP - plan hits target - Point	0 00	0.00	2,835.0	0.0	0.0	2,165,969.54	1,298,445.79	36° 56' 47 904 N	107° 25' 13.008 W

Approved by Date		Checked By:	Approved By:	Date:
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