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. 30-045-34919
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.)

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

2. Name of Operator
ENERGEN RESOURCES CORPORATION

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

4. Well Location

Unit Letter ___I___ : ___1870___ feet from the ___South___ line and ___903___ feet from the ___East___ line

Section ___25___   Township ___27N___   Range ___9W___   NMPM   County ___San Juan___

7. Lease Name or Unit Agreement Name:
Navajo 1

8. Well Number
1M

9. OGRID Number

10. Pool name or Wildcat
Blanco MV/Basin DK

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
6137' GR

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐   PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐   CHANGE PLANS ☐

PULL OR ALTER CASING ☐   MULTIPLE COMPL ☐

DOWNHOLE COMMINGLE ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐   ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐   P AND A ☐

CASING/CEMENT JOB ☐

RCVD AUG 17 '09
OIL CONS. DIV.
DIST. 3

OTHER: Downhole Commingle ☒

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.

In accordance to Case 12346, Order # R-11363, this well is downhole commingled (DHC 3134AZ) in the Blanco MV (72319) and Basin DK (71599) and was done according to the attached reports. 91% of the production is being allocated to the Basin DK from the analysis of the Weatherford Production Log.

Spud Date: 4/8/09

Rig Release Date: 4/23/09

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

SIGNATURE _____   TITLE ___Production Engineer___   DATE ___8/13/09___

Type or print name ___Andrew Soto___   E-mail address: ___asoto@energen.com___   PHONE ___505-325-6800___

For State Use Only
APPROVED BY _____   TITLE ___Deputy Oil & Gas Inspector, District #3___   DATE ___AUG 2 6 2009___
Conditions of Approval (if any):

Purpose of Survey

To quantify the production rate from the MesVaerde and Dakota for Royalt allocation.

Discussion / Conclusions

The flowing conditions of this well were stable across the Dakota but then it was loading up water. Hence the logging surveys were done in two separate stages across the Dakota and then the Mesa Verde. The analysis was done across the Dakotas and the production rates from the Mesa Verde have been estimated by subtracting from the surface rates as no reliable data could be obtained across the Mesa Verde.

The production log analysis indicates that the majority of the gas production in the well (@ 91% of the total downhole production) is from the Dakotas.

The major gas contributuing perforation is at 6498' – 6503' (@ 65% of the total downhole production) as indicated by the sharp decrease in fluid density and a corresponding large deflection on the flowmeter passes.

The upper stage perforations in the Mesa Verde are contributing less then 10 % of the total downhole production.
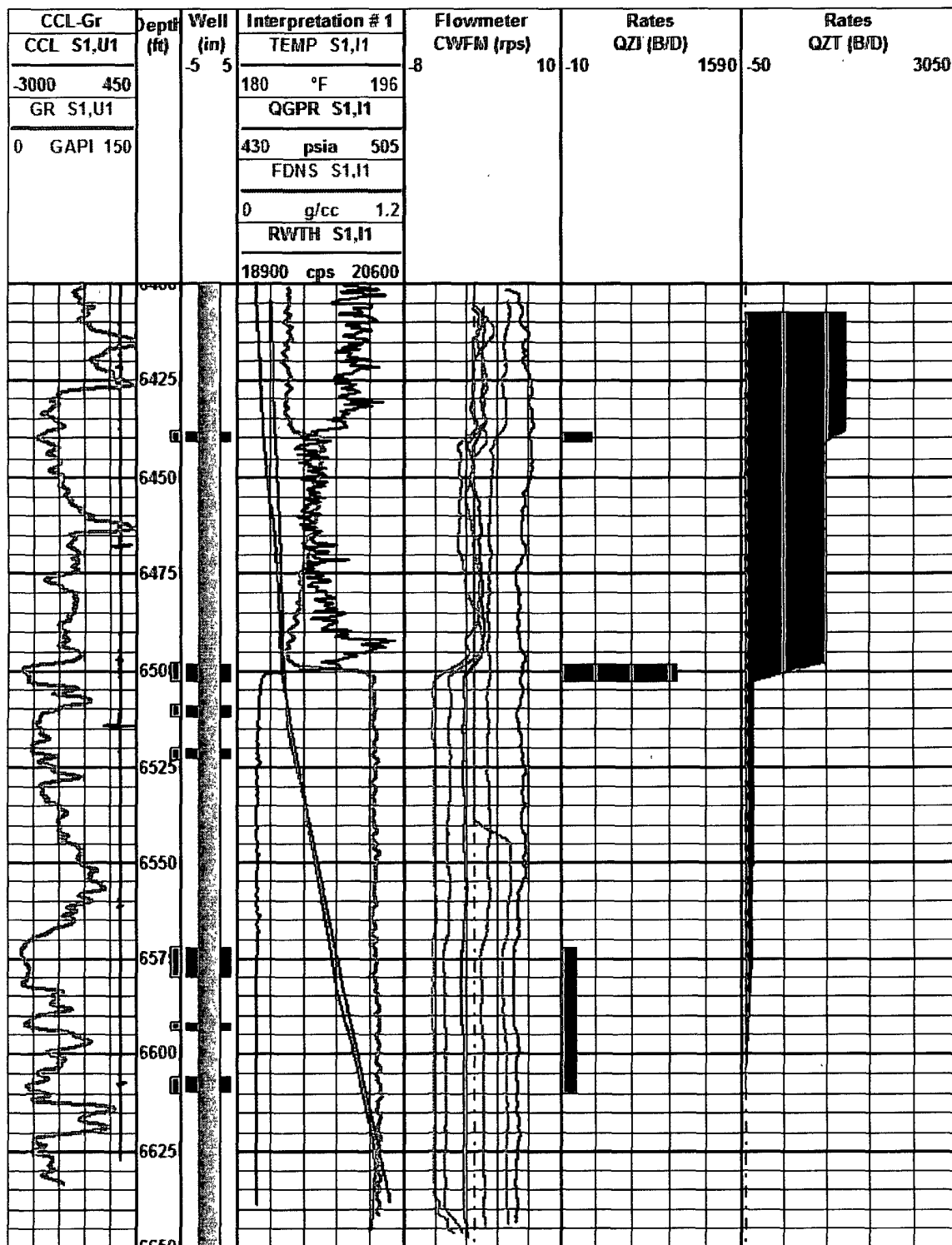
There is a reported surface production rate of 4 BWPD and @ 14 BPD of condensate oil but no liquid was detected downhole due to its small volume compared to the total downhole produced gas.

Field personnel reported that the well head pressure was 200 psi at the time of logging operation.

Refer to page 4 for a graphical representation of the flow profile, and pages 6,7 and 10 for a tabular display of the calculated results by analyzed zones in this well.

Production Profile

CCL-Gr	Depth	Well	Interpretation # 1	Flowmeter	Rates	Rates
CCL S1,U1	(ft)	(in)	TEMP S1,I1	CWFM (rps)	QZT (B/D)	QZT (B/D)
-3000 450		-5 5	180 °F 196	-8 10	-10 1590	-50 3050
GR S1,U1			QGPR S1,I1			
0 GAPI 150			430 psia 505			
			FDNS S1,I1			
			0 g/cc 1.2			
			RWTH S1,I1			
			18900 cps 20600			

Survey Summary

Survey Name: Flowing
Reported Surface rates:
    Gas   230 Mscf/D
    Oil   14 STB/D
    Water   4 STB/D

Tools Summary
    String OD   1.6875 in
    Capacitance   (Calib. Type)
        100% Water   N/A
        100% HC   N/A
    Density   Nuclear tool
    Spinner blade OD 2.44 in

Interpretation Summary

Interpretation Name: Interpretation # 1

    Flow type   Single-phase
    Flow model
    Flow model   L-G
    Flow model   W-O
    Vpcf multipler   1
    Vslip multipler   N/A
    Vslip mult.W-O   N/A

General Interpretation Comments:

1) The well is producing up a 2-3/8" tubing in a 4-1/2" casing with no packer in the hole.

2) The flowing conditions of this well were stable across the Dakota but then it was loading up water. Hence the logging surveys were done in two separate stages across the Dakota and then the Mesa Verde.

3) The well was swabbed right before the PL Surveys.

4) A number of perforations have been grouped together for the purpose of the analysis based on the observed flow profile downhole.

5) Reported surface rates are 4 BWPD, 14 BOPD and 230 Mscf/D.

6) A single phase gas analysis was done on this well. The analysis was done across the Dakotas and the production rates from the Mesa Verde have been estimated by subtracting from the surface rates as no reliable data could be obtained across the Mesa Verde.

7) Reported WHP=200 psi at the time of logging operation.

Contributions by Phase (Downhole)

Formation Names	Zones (ft)	Qw res. (B/D)	Qo res. (B/D)	Qg res. (B/D)
Mesaverde	4347.0 – 4651.0	0.00	0.00	130.23
Dakota	6438.0 - 6441.0	0.00	0.00	279.01
Dakota	6498.0 - 6503.0	0.00	0.00	1029.16
Dakota	6509.0 - 6523.0	0.00	0.00	0.00
Dakota	6572.0 - 6610.0	0.00	0.00	137.25
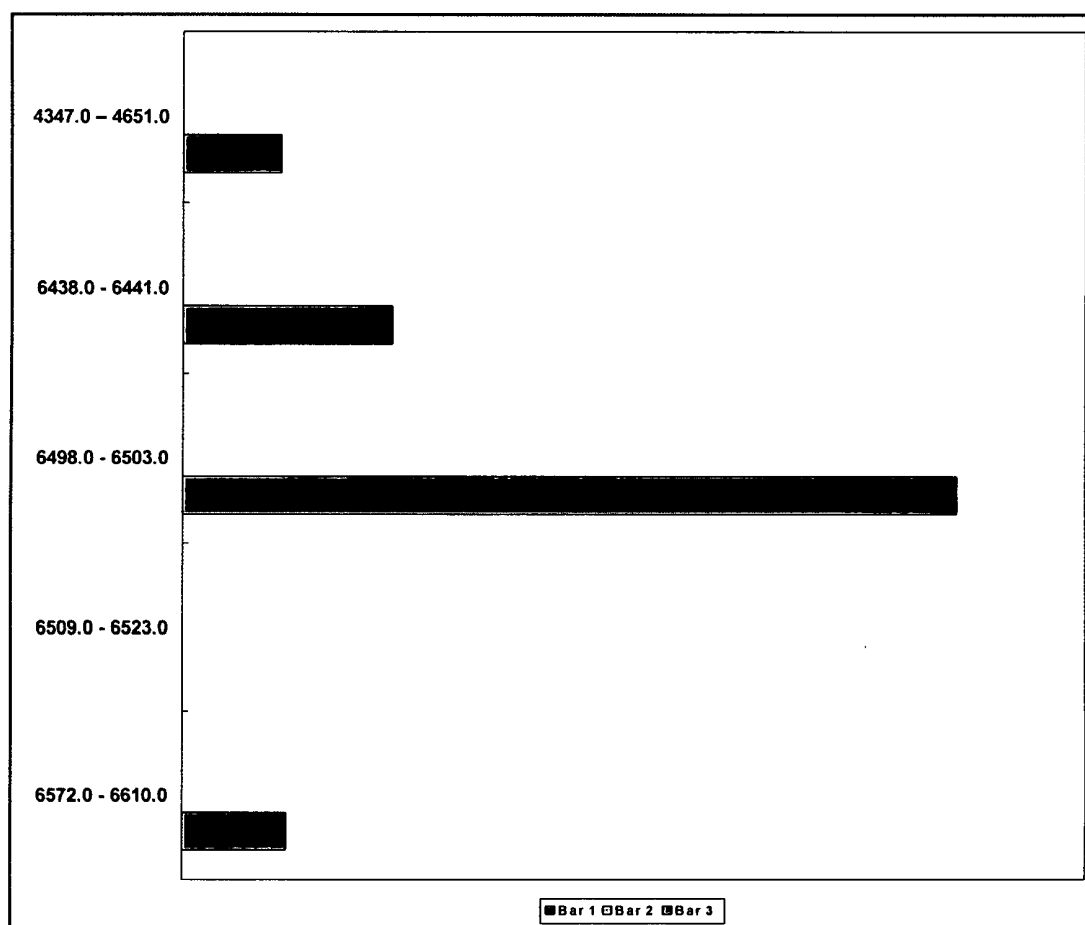
Contributions by Phase (Surface)

Formation	Zones (ft)	Qw s.c. (STB/D)	Qo s.c. (STB/D)	Qg s.c. (Mscf/D)
Mesaverde	4347.0 – 4651.0	0.00	0.00	19.60
Dakota	6438.0 - 6441.0	0.00	0.00	39.58
Dakota	6498.0 - 6503.0	0.00	0.00	148.42
Dakota	6509.0 - 6523.0	0.00	0.00	0.00
Dakota	6572.0 - 6610.0	0.00	0.00	20.16

Water total contribution SC: 0 STB/D
Oil total contribution SC: 0 STB/D
Gas total contribution SC: 227.761 Mscf/D

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08/11/09        12:33         55.8 F      Ver 80214133R      Job 158921

                         WHU Before Calibration

         Tool Type:  WHU-DA              Serial No: whu-da145

                     Standard           Measured
         WHU GAS       0.0               34419.5  CPS
         WHU WATER     1.0               19167.7  CPS
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08/24/00        12:00          0.0 F      Ver          Job

                         QPG Master Calibration

         Tool Type.  QPG-DA             Serial No. qpgda150
         Crystal ID: 171392

                         PRESSURE COEFFICIENTS

         Source of f:     F(Pres)              F (temp)
         Fit Order:       3                    3
         Prescale:        xp=m*(fp-fp0)        xt=m*(ft-ft0)
         m                0.01                 0 01
                          fp0 =  19682         ft0 =  51296

                0               1                2                3
         A   8.40799209e+00   -1 05111612e-01   -1 92608042e-02   9.44079930e-06
         B   4.10144223e+01   -2.86572070e-02    2.54073510e-05  -5.27159067e-08
         C  -1.93040699e-03    8.96193313e-06   -3.82332228e-08   3.03448855e-11
         D   5.91195073e-07   -4.39136964e-10    4.83729157e-11   5.26625471e-14

                         TEMPERATURE COEFFICIENTS

         Source of f:     F(Pres)              F (temp)
         Fit Order:       0                    3
         Prescale.        xp=m*(fp-fp0)        xt=m*(ft-ft0)
         m                0.01                 0.01
                          fp0 =  19682         ft0 =  51296

                0               1                2                3
         A   2.52111499e+01   -7.33077745e-01   -8.64073587e-04   -6.95309061e-07
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08/11/09        12.28         55.8 F      Ver 80214133R      Job 158921

              Fluid Density Before Survey Calibration

              Tool Type  FDT-JA          Serial No: fdtja147

              Source Number. V488

                                    Measured
                   Standard     Master Cal    Before Survey   Drift

                   0.00 G/CC    10709.72 CPS   11163.98 CPS   -0.05 G/CC

                   0.50 G/CC     7292.48 CPS    7240.19 CPS    0.01 G/CC

                   0.75 G/CC     5944.99 CPS    5903.04 CPS    0.01 G/CC

                   1.00 G/CC     4801.11 CPS    4791.06 CPS    0.00 G/CC

                   1 25 G/CC     3907.87 CPS    3904.63 CPS    0 00 G/CC
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