

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

APR 10 2009

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

Bureau of Land Management
Farmington Field Office

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. USA NMNM-0309374 & 09967	
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Energen Resources Corporation		7. Unit or CA Agreement Name and No.	
3a. Address 2010 Afton Place Farmington, New Mexico 87401		8. Lease Name and Well Name CJ Holder #201S	
3b. Phone No. (include area code) (505) 325-6800		9. API Well No. 30-045-34945	
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 700' FNL 1802' FEL At proposed prod. zone		10. Field and Pool, or Exploratory Basin Fruitland Coal	
14. Distance in miles and direction from nearest town or post office* 5 miles south southwest of Farmington, NM		11. Sec., T., R., M., or Blk. and Survey or Area B - Sec. 27, T28N, R13W NMPM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 700'		12. County or Parish San Juan	
16. No. of Acres in lease 320		13. State NM	
17. Spacing Unit dedicated to this well E/2			
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1000'		20. BLM/BIA Bond No. on file	
19. Proposed Depth 1810'			
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6060' GL		22. Approximate date work will start* APRIL 2009	
		23. Estimated duration 15 days	

24. Attachments

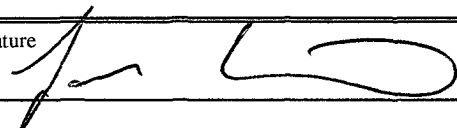

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

- | | |
|--|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the BLM |

RCVD JUL 22 '10

OIL CONS. DIV.

DIST. 3

25. Signature 	Name (Printed/Typed) JASON KINCAID	Date 02/03/09
Title Drilling Engineer		
Approved by (Signature) 	Name (Printed/Typed) AFM	Date 7/20/2010
Title AFM		
Office FFO		

Application approval 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.

Conditions of approval, if any, are attached.

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

(Continued on page 2)

BLM'S APPROVAL OR ACCEPTANCE OF THIS ACTION DOES NOT RELIEVE THE LESSEE AND OPERATOR FROM OBTAINING ANY OTHER AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

*(Instructions on page 2)

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

JUL 28 2010

This action is subject to technical and procedural review pursuant to 43 CFR 3165.8 and appeal pursuant to 43 CFR 3165.4

Drilling operations authorized are subject to compliance with attached "General Requirements".

NMOC

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Expires July 31, 2010

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.

APR 15 2009

Bureau of Land Management
Farmington Field Office

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Energen Resources Corporation

3a. Address

2010 Afton Place, Farmington, NM 87401

3b. Phone No. (include area code)

(505) 325-6800

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

700' FNL, 1802' FEL Sec.27, T28N, R13W NMPM
(B)

5. Lease Serial No.

USA NMNM 0309374, 09967

6. If Indian, Allottee or Tribe Name

None

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

8. Well Name and No.

CJ HOLDER #201S

9. API Well No.

30-645 34945

10. Field and Pool, or Exploratory Area

Basin Fruitland Coal

11. County or Parish, State

San Juan 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 Name change

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 would like to change the name of this well to: CJ Holder Com #201S

Property code 37677

RCVD APR 29 '09

OIL CONS. DIV.
DIST. 3

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Jason Kincaid

Title Drilling Engineer

Signature

Date April 15, 2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

C Marquez

Title

LSE

Date

4-15-09

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

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.

District I
1825 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
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

RECEIVED

APR 10 2009

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30.045-34945		*Pool Code 71629	*Pool Name FC
*Property Code 2118037677	*Property Name CJ HOLDER COM		*Well Number #201s
*GRID No. 162928	*Operator Name ENERGEN RESOURCES		*Elevation 6060'

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
B	27	28-N	13-W		700'	NORTH	1802'	EAST	SAN JUAN

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
320	E/2								
*Dedicated Acres		*Joint or Infill		*Consolidation Code		*Order No.			
320		E/2							

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

16	FD 2 1/2" BRASS CAP GLO 1913 S89°59'W 80.12 Chains (R) ENERGEN RESOURCES CJ HOLDER #201s LAT. 36.63861 N LONG. 108.20367 W	17	OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>L. H. Kincaid</u> Date: <u>2/3/2009</u> Printed Name: <u>L. H. Kincaid</u>
27	FD 2 1/2" BRASS CAP GLO 1913 N89°54'33"W 2642.85'(M) 700' 1802' N0°01'38"W 2638.05'(M) N0°01'W 80 Chains (R)	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. Date of Survey: <u>2/3/07</u> Signature and Seal of Professional Surveyor: <u>[Signature]</u> Certificate Number: <u>8466</u>

2/3/2009



OPERATIONS PLAN

WELL NAME.....C.J. Holder #201S
JOB TYPE.....Vertical Fruitland Coal
DEPT.....Drilling and Completions
PREPARED BY.....Jason Kincaid

GENERAL INFORMATION

Surface Location	700 FNL 1802 FEL
S-T-R	B Sec.27-T28N-R13W
County, State	San Juan, New Mexico
Elevations	6060' GL
Total Depth	1810' +/- (MD)
Formation Objective	Basin Fruitland Coal

FORMATION TOPS

Nacimiento	Surface
Ojo Alamo Ss	419'
Fruitland Fm	989'
Top Coal	1444'
Bottom Coal	1604'
Pictured Cliffs	1609'
Total Depth	1809'

DRILLING

The 12 1/4" wellbore will be drilled with a fresh water mud system.
The 7 7/8" wellbore will be drilled with a low solids fresh water/polymer mud system.
Weighting materials will be drill cuttings and, if needed, barite. Mud density is expected to range from 8.3 ppg to 8.9 ppg.

Blowout Control Specifications:

A 2000 psi minimum double ram or annulus BOP stack will be used following nipple up of casing head. A 2" nominal, 2000 psi minimum choke manifold will also be used. An upper Kelly Cock valve handle and drill string valve should be available to fit each drill string and be available on the rig floor during drilling operations.

Logging Program:

Open hole logs: 7-7/8" wellbore induction/gamma ray and density logs.
Mudlogs: none
Surveys: Surface and/or every 500' to TD.

2/3/2009

CASING, TUBING & CASING EQUIPMENT

String	Start Depth	End Depth	Wellbore	Size	Wt	Grade
Surface	0	150	12-1/4"	8-5/8"	24.0 lb/ft	J-55 ST&C
Production	0	1810	7-7/8"	5-1/2"	15.5 lb/ft	J-55 LT&C
Tubing	0	1810		2 3/8"	4.7 lb/ft	J-55

Casing Equipment:

Surface Casing: Depending on wellbore conditions, a Texas Pattern Guide Shoe on first joint with and insert float valve on top. Run standard bow spring centralizers as follows: every other joint from TD to surface.

Production Casing: Depending on wellbore conditions, a Cement nose guide shoe with self fill insert float collar on top of bottom joint and casing centralization with standard bow spring centralizers to optimize standoff.

CEMENTING

Surface Casing: 105 sks Std (class B) with 2.0 % CaCl_2 and 1/4 #/sk Flocele (15.6 ppg, 1.18 ft³/sk ~~59 ft³~~ of slurry, 100% excess to circulate to surface). WOC 12 hours. Pressure test surface casing to 750 psi for 30 min. ~~V=125 FT³~~

Production Casing: Before cementing, circulate hole at least 1 1/2 hole volumes of mud and reduce funnel viscosity to minimum to aide in hole cleanout. Depending on wellbore conditions, cement may consist of 155 sks 65/35 with 6.0 % Bentonite, 2.0 % CaCl_2 , 10 #/sk Gilsonite, and 1/2 #/sk Flocele (12.3 ppg, 1.93 ft³/sk) and a tail of 150 sks of Class G cement with 5.0 #/sk Gilsonite, and 1/4 #/sk Flocele (15.4ppg, 1.18 ft³/sk). (470 ft³ of slurry to circulate to surface, 50% excess).

Pump a 10 bbls water, 20 bbls gelled water, 5 bbls water spacer ahead of cement

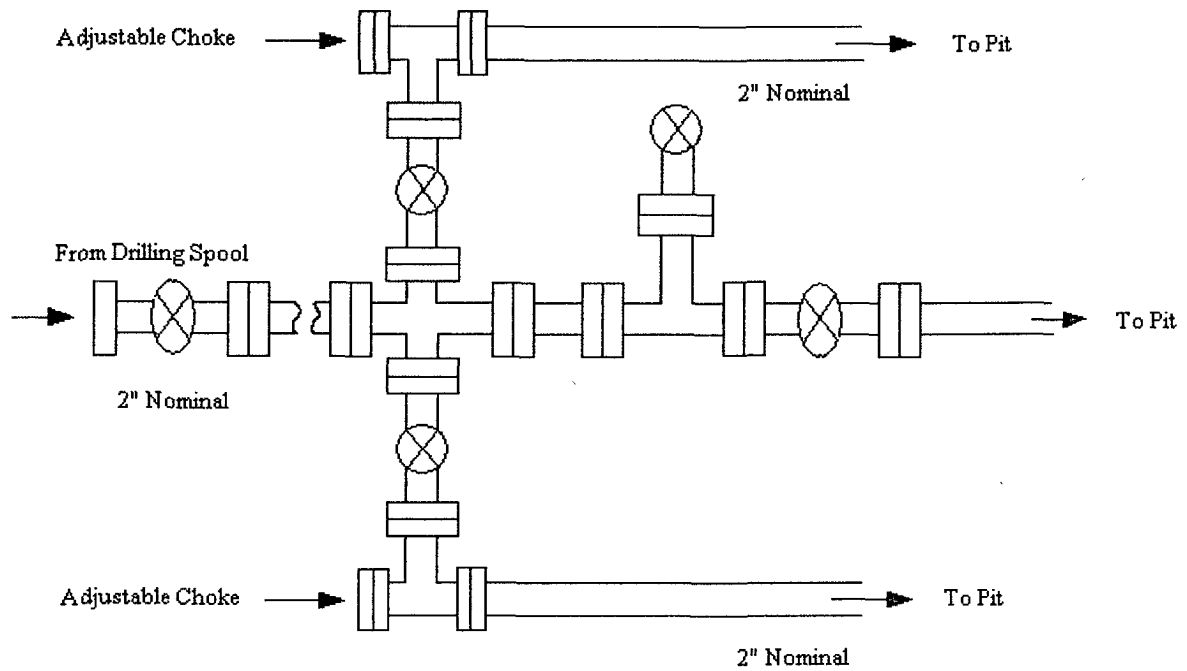
Cement volumes are subject to change if caliper logs are run and dictate otherwise.

OTHER INFORMATION

- 1) This well will be cased and the Basin Fruitland Coal fracture stimulated.
- 2) If lost circulation is encountered, sufficient LCM will be added to the mud system to maintain well control. The production string may need to be cemented in multiple stages with a slurry design deviated from that listed above.
- 3) If high reservoir pressures or water flows are encountered slurry design may need to be deviated to from those listed above to satisfy wellbore and formation conditions. Anticipated pressure is 300 psi.
- 4) No abnormal temperatures or pressures are anticipated.
- 5) This gas is dedicated.

Energen Resources Corporation

Typical 2000 psi Choke Manifold Configuration



Choke manifold installed from surface to TD

Energen Resources Corporation

Typical BOP Configuration for Gas Drilling

