

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Farmington Field Office 1235 La Plata Highway, Suite A Farmington, New Mexico 87401

IN REPLY REFER TO: NM SF-079487 3162.3-2 (07100)

30-039-07813

DEC 18 2002

CERTIFIED-RETURN RECEIPT REQUESTED 7106 4575 1292 2684 4294

Mr. Doug Thomas Energen Resources Corporation 2198 Bloomfield Highway Farmington, NM 87401

Dear Mr. Thomas:



Reference is made to the following well on Federal oil and gas lease SF-079487:

San Juan 30-4 Unit, well Number 21, located 850' FNL, and 987' FWL, sec. 22., T. 30 N., R. 4 W., Rio Arriba County, New Mexico.

On the above referenced well, your Notice of Intent was received in this office on October 21, 2002. It was approved with the condition you notify this office, prior to doing any repair work. This office received your Subsequent Report on October 29, 2002, detailing that the casing was repaired by performing a cement squeeze, on October 17, 2002, the week prior to actually sending in your Notice of Intent. Enclosed, is a copy of the processed Notice of Intent (enclosure 2) and Subsequent Report (enclosure 1). Energen Resources Corporation has had violations of this sort in the past (enclosure 3).

As such, you are in violation of 43 CFR 3162.3-2 (a) Subsequent Well Operations, which requires prior approval before commencing to perform casing repairs. In addition, your are also subject to a \$250 assessment pursuant to 43 CFR 3163.1-a (2) for failure to abate the previous violations. You will be billed for the amount of \$250 by this office.

Under provisions of 43 CFR 3165.3, you may request an Administrative Review, before the State Director either with or without oral presentation, of the assessment described above. Such request, including all supporting documents, must be filed in writing within 20-business days of receipt of this notice with the State Director, Bureau of Land Management (NM-93000), P. O. Box 27115, Santa Fe, New Mexico 87502-0115. Such request shall not result in a suspension of the orders unless the reviewing official so determines. Procedures governing appeals from instructions, orders or decisions are contained in 43 CFR 3165.4 and 43 CFR 4.400 et seq.

If you have any questions, please contact Matt Halbert, at 505-599-6350 or Jim Lovato at 505-599-6367.

Sincerely,

/s/David J. Mankiewicz

David J. Mankiewicz Assistant Field Manager, Minerals

3 Enclosures

cc:

NMOCD, Aztec, NM (w/enclosure 1) NMOCD, Santa Fe, NM (w/enclosure 1) Form 3160-5 (August 1999)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an FORM APPROVED OMB NO. 1004-0135 Expires: November 30, 2000

5. Lease Serial No. NMSF079487

If Indian	ı, Allo	ottee	or Tribe	Name

abandoned we	II. Use form 3160-3 (APD)	for such proposals.	O. II Mulan, Anotte	e of Tribe Name					
SUBMIT IN TRI	7. If Unit or CA/Ag NMNM78418/	7. If Unit or CA/Agreement, Name and/or No. NMNM78418A							
1. Type of Well ☐ Oil Well ☑ Gas Well ☐ Oth		8. Well Name and No. SAN JUAN 30-4 21							
2. Name of Operator ENERGEN RESOURCES CO	Contact: VI	CKI DONAGHEY Mail: vdonaghe@energen.com	9. API Well No. 30-039-07813	9. API Well No. 30-039-07813-00-S1					
3a. Address 2198 BLOOMFIELD HIGHWA FARMINGTON, NM 87401	Y F	b. Phone No. (include area code) Ph: 505.325.6800 Ext: 238 Ex: 505.326.6112		10. Field and Pool, or Exploratory E BLANCO PICTURED CLIFFS					
4. Location of Well (Footage, Sec., T			11. County or Paris	11. County or Parish, and State					
Sec 22 T30N R4W NWNW 08 36.80196 N Lat, 107.24731 W			RIO ARRIBA	RIO ARRIBA COUNTY, NM					
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA									
TYPE OF SUBMISSION	TYPE OF ACTION								
☐ Notice of Intent	☐ Acidize	□ Deepen	☐ Production (Start/Resume)	■ Water Shut-Off					
	☐ Alter Casing	☐ Fracture Treat	□ Reclamation	■ Well Integrity					
Subsequent Report	Casing Repair	■ New Construction	□ Recomplete	Other					
☐ Final Abandonment Notice	☐ Change Plans	Plug and Abandon	□ Temporarily Abandon						
	☐ Convert to Injection	Plug Back	■ Water Disposal						
Casing leak was repaired as follows: 10/15/02 MIRU. 10/16/02 TOH with 2-3/8" tubing. TIH with RBP, set @ 4250'. Isolate casing leak @ 1534'. 10/17/02 Squeeze with 25 sks Class B cement, 2% CaCl2, .04% Halad-9. WOC. 10/18/02 NU BHA. TIH. Tag cement @ 1485'. Drill out cement to 1610'. Test squeeze to 500 psi-ok. ND BHA. TIH, retrieve RBP. TOH. 10/19/02 TIH with 2-3/8" tubing. Clean out to PBTD w/air mist. Land tubing @ 4555'. Seat nipple set @ 4520'. Return to production.									
14. I hereby certify that the foregoing is true and correct. Electronic Submission #15506 verified by the BLM Well Information System For ENERGEN RESOURCES CORFORATION, sent to the Farmington Committed to AFMSS for processing by Matthew Halbert on 11/26/2002 (03MXH0169SE) Name (Printed/Typed) VICKI DONAGHEY Title PRODUCTION ASSISTANT									
			,						
Signature (Electronic	Submission)	Date 10/29/2	002						
<u> </u>	THIS SPACE FOR	FEDERAL OR STATE	OFFICE USE						
Approved By ACCEPT	ED		V HALBERT UM ENGINEER	Date 11/26/2002					
Conditions of approval, if any, are attached certify that the applicant holds legal or equinch would entitle the applicant to conditions.	uitable title to those rights in the su		ıton						
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.									