

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT - " for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other	5. Lease Designation and Serial No. JIC CONT. 97
2. Name of Operator ENERGEN RESOURCES CORPORATION	6. If Indian, Allottee or Tribe Name Jicarilla Apache
3. Address and Telephone No. 2198 Bloomfield Highway, Farmington, NM 87401	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1150' FNL, 790' FWL, Sec. 7, T26N, R3W, N.M.P.M.	8. Well Name and No. Jicarilla 97 6
	9. API Well No. 30-039-26261
	10. Field and Pool, or exploratory Area Blanco MV/Basin DK
	11. County or Parish, State Rio Arriba NM

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other ADD Gallup & DHC	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

It is intended to ADD the Wild Horse Gallup and commingle it with the Dakota as follows:

1. MIRU. TOH with tubing.
2. Set CIBP at 7600'. Selectively perforate and fracture Gallup.
3. TIH and clean out to PBTD. Land tubing at 7850'. Return to production.



RECEIVED
BLM
00 APR 24 AM 10:51
DIO ALBUQUERQUE, N.M.

14. I hereby certify that the foregoing is true and correct		
Signed <u>Monica Papp</u>	Title <u>Production Assistant</u>	Date <u>4/20/00</u>
(This space for Federal or State office use)		
Approved by <u>[Signature]</u>	Title <u>Lands and Mineral Resources</u>	Date <u>5/4/00</u>
Conditions of approval, if any: <u>Submit completion report</u>		

Title 18 U.S.C. Section 1001, 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.

* See Instruction on Reverse Side

OK [Signature]

✓

District II
PO Drawer 00, Artesia, NM 88210-0719

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Survey to be made by Oil Unit Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Grande Rd., Artesia, NM 87410

☐ ADVANCED REPORT

District IV
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number' 30-039-26261	'Pool Code' 87360/-71599	'Pool Name' Wild Horse Gallup-Easin (4000)
'Property Code' 21939	'Property Name' JICARILLA 97	'Well Number' 6
'GRID No.' 162926	'Operator Name' ENERGEN RESOURCES CORPORATION	'Elevation' 6921'

'Surface Location

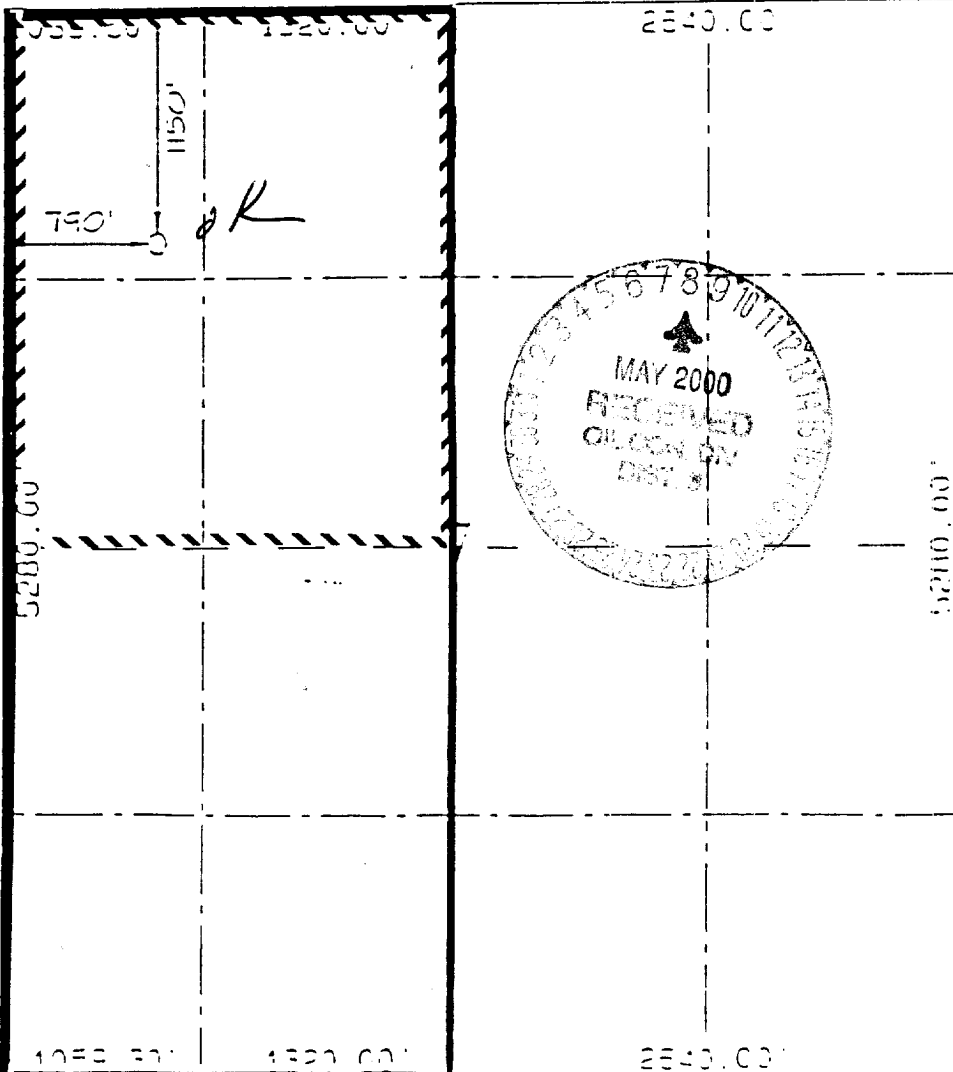
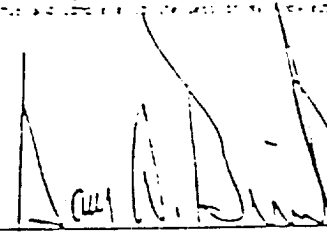
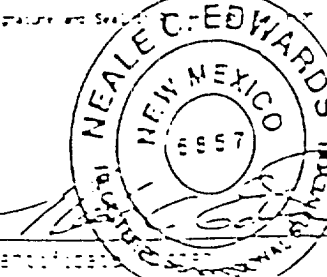
U. or Loc. No.	Section	Township	Range	Lot 1/4	Feet from line	North-South line	Feet from line	East-West line	County
0	7	26N	3W		1150	NORTH	790	WEST	Santa Fe

'Bottom Hole Location If Different From Surface

U. or Loc. No.	Section	Township	Range	Lot 1/4	Feet from line	North-South line	Feet from line	East-West line	County

'Dedicated Acres' 144.4 / 288.8	'Acres or More'	'Conservation Date'	'Operator No.'
------------------------------------	-----------------	---------------------	----------------

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION.

	'OPERATOR CERTIFICATION' I hereby certify that the well location shown on this plat is correct and that the acreage shown is correct and that the same is true and correct to the best of my belief. Signature:  Gert E. Erick Production, SUPERVISOR Title: <u>10/5/99</u> Date: <u>1/1</u>
	'SURVEYOR CERTIFICATION' I hereby certify that the well location shown on this plat is correct and that the acreage shown is correct and that the same is true and correct to the best of my belief. Date of Survey: <u>JULY 14 1999</u> Signature and Seal:  NEALE C. EDWARDS NEW MEXICO 5557 Surveyor

Jicarilla 97 6
Unit D, Section 7, T 26 N, R 3 W
Rio Arriba Co., N.M.

Subject: Economic Justification To Downhole Commingle

Current Oil Price -- \$24.00
Current Gas Price -- \$2.10 Net less gathering & processing

The subject well was drilled to the Dakota. Log analysis shows potential in the Gallup formation. It is intended to complete the Gallup and commingle it with the Dakota. It is felt the Gallup has potential but based on offset production a single well could not economically be drilled to exploit these reserves. In addition, the Dakota flowstream will assist in removing the liquids produced by the Gallup.

Current Rate:	235 MCFD & 3 BOPD
Projected Mesa Verde Rate:	60 MCFD & 2 BO

Incremental Uplift:	60 MCFD & 2 BO
---------------------	----------------

Increased Revenue Stream

Gas Revenue	$60 * 2.10 * 30 =$	\$3,780
Oil Revenue	$2 * 24.00 * 30 =$	<u>\$1,440</u>
Increased Monthly Revenue		\$5,220

Increased Royalty	\$653 per month
-------------------	-----------------

Downhole commingling will eliminate waste by recovering marginal reserves, assist in keeping the well unloaded, stabilize the flowstream and extend the life of the well through increased efficiencies.