

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0136
Expires: November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. Jic Cont 115	
1b. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name Jicarilla Apache	
2. Name of Operator Energen Resources Corporation		7. Unit or CA Agreement Name and No. 250023	
3a. Address 2198 Bloomfield Highway, Farmington, NM 87401		8. Lease Name and Well No. Johnston Shear 1B	
3b. Phone No. (include area code) 505-225-6800		9. API Well No. 30-039-26846	
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 660' FNL, 660 FEL At proposed prod. zone		10. Field and Pool, or Exploratory Blanco Mesaverde	
14. Distance in miles and direction from nearest town or post office* 14 miles North of Lindrith, New Mexico		11. Sec., T., R., M., or Blk. and Survey or Area Sec. 3, T26N, R3W, N.M.P.M.	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 660'		12. County or Parish Rio Arriba	
16. No. of Acres in lease 2542.30		13. State NM	
17. Spacing Unit dedicated to this well 320 E 1/2		18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1200'	
19. Proposed Depth 6238'		20. BLM/BIA Bond No. on file	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 7094' GL		22. Approximate date work will start* Dec 2001	
		23. Estimated duration 10 days	

24. Attachments

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

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| 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 shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) Don Graham	Date 8/1/01
Title Drilling/Completion Foreman		
Approved by (Signature) 	Name (Printed/Typed)	Date OCT 16 2001
Title Asst Field Manager	Office	

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.

*(Instructions on Reverse)

4 @ Attached
6 @ All casing strings will be cemented

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

District II
PO Drawer 00, Artesia, NM 88211-0719

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

Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-26846		*Pool Code 72319	*Pool Name Blanco Mesaverde
*Property Code 25023	*Property Name JOHNSTON SHEAR		*Well Number 1B
*GRID No. 162928	*Operator Name ENERGEN RESOURCES CORPORATION		*Elevation 7094'

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
A	3	26N	3W		660	NORTH	660	EAST	RIO ARriba

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

12 Dedicated Acres 320	13 Joint or Infill E/2	14 Consolidation Code	15 Order No.
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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

16		17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. Signature Gary Brink Printed Name Production Superintendent Title 8/2/01 Date
		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. JUNE 6, 2001 Date of Survey Signature and Seal of Professional Surveyor Certificate No. 6857

ENERGEN RESOURCES CORPORATION JOHNSTON SHEAR #1B

660' FNL & 660' FEL, SECTION 3, T26N, R3W, N.M.P.M.
RIO ARRIBA COUNTY, NEW MEXICO



OPERATIONS PLAN

WELL NAME: Johnston Shear #1B

LOCATION: 660' FNL, 660' FEL, Section 10, T26N, R3W, Rio Arriba, New Mexico

FIELD: Blanco Mesaverde

ELEVATION: 7094' GL

FORMATION TOPS:

Surface	San Jose	Cliff House	5261
Ojo Alamo	3057	Menefee	5519
Kirtland	3375	Point Lookout	5788
Fruitland	3470		
Pictured Cliffs	3632		
Lewis	3960		
Huerfanito Benonite	4172	Total Depth	6238

LOGGING PROGRAM:

Open Hole Logs:

Surface to intermediate: None

Inter TD to total depth: Temp/HRI/CNT, LDT/GR

Mud Logs: 3600' to total depth

Coring: None

Natural Gauges: Every 500' from intermediate TD to total depth

MUD PROGRAM: Fresh water low solids mud from surface to intermediate TD. Air/mist from intermediate casing point to total depth.

CASING PROGRAM:

<u>HOLE SIZE</u>	<u>DEPTH</u>	<u>CSG SIZE</u>	<u>WT.</u>	<u>GRADE</u>
12-1/4"	200'	9-5/8"	36#	J-55
8-3/4"	4160'	7"	20#	J-55
6-1/4"	4010'-6238'	4-1/2"	10.5#	J-55

TUBING PROGRAM:

6100'	2 3/8"	4.7#	J-55
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WELLHEAD: 11" 3000 x 9 5/8" casing head. 11" 3000 x 7 1/16" 3000 xmas tree.

BOP SPECIFICATIONS:

An 11" 2000 psi minimum double gate BOP stack (Figure 1) will be used following nipple up of casing head. During air drilling operations, a Shaffer Type 50 or equivalent rotating head will be installed on top of the stack. A 2" nominal, 2000 psi minimum choke manifold will be used.

CEMENTING:

9 5/8 surface casing - Cement with 110 sks Class B Cement with 1/4" Flocele/sx and 2% calcium chloride (130 cu. ft. of slurry, 100% excess to circulate to surface). WOC 12 hrs. Test casing to 600# for 30 minutes.

Texas Pattern Guide Shoe on bottom with centralizers on the first three joints..

7" intermediate casing - cement with 420 sks 65/35 Class B Poz with 6% gel, 2% calcium chloride, 10% gilsonite, and 1/4# flocele/sk. Tail with 100 sks Class B w/2% calcium chloride, 10% gilsonite and 1/4# flocele/sk. (938 cu. Ft. of slurry, 50% excess to circulate to surface). WOC 12 hrs. If cement does not circulate, run temperature survey in 8 hrs. to determine TOC. Test casing to 1200 psi for 30 minutes.

Cement nose guide shoe on bottom with a self-fill insert float valve on top of shoe joint. 8 bow spring centralizers spaced every 2nd joint off bottom. Two turbolating centralizers at the base of the Ojo Alamo.

4 1/2 Production Liner

Cement with 270 sks 50/50 poz with 2% gel, 5 PPS gilsonite, .4% halad - 9 and 1/4# flocele/sk (343 cu. ft., 50% excess to circulate liner top). WOC 18 hrs prior to completion.
100' Min. overlap w/ 7"

Cement nose guide shoe on bottom with float collar on top of shoe joint. Liner hanger will have a neopreme packoff on top.

OTHER INFORMATION:

- 1) The Blanco Mesaverde completed.
- 2) No abnormal temperatures or pressures are anticipated.
- 3) Anticipated pore pressure for the Mesa Verde is 800, Pictured Cliffs is 600 and the Fruitland 500 psi.
- 4) If lost circulation is encountered, sufficient LCM will be added to the mud system to maintain well control.
- 5) This gas is dedicated.