

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey, Division Director
Oil Conservation Division



New Mexico Oil Conservation Division approval and conditions listed below are made in accordance with OCD Rule 19.15.7.11 and are in addition to the actions approved by BLM on the following 3160-4 or 3160-5 form.

Operator Signature Date: May 16th, 2014

Application Type:

- P&A
 Drilling/Casing Change
 Recomplete/DHC
 Location Change
 Other:

Well information:

API WELL #	Well Name	Well #	Operator Name	Type	Stat	County	Surf_Owner	UL	Sec	Twp	N/S	Rng	W/E
30-039-26261-00-00	JICARILLA 97	006	ENERGEN RESOURCES CORPORATION	G	A	Rio Arriba	I	D	7	26	N	3	W

Conditions of Approval:

Notify NMOCD 24hrs prior to beginning operations

Provide CBL to agencies for review prior to perforations

NMOCD Approved by Signature
Deputy Oil & Gas Inspector,
District #3

May 28, 2014
Date

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

MAY 19 2014

FORM APPROVED
OMB NO. 1004-0137
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.

Farmington Field
Bureau of Land Management

5. Lease Serial No. Jicarilla Contract 97
6. If Indian, Allottee or Tribe Name
Jicarilla Apache
7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
Jicarilla 97 # 6
9. API Well No.
30-039-26261
10. Field and Pool, or Exploratory Area
Blanco MV, Wild Horse GL
Tapacitos PC, Basin DK
11. County or Parish, State
Rio Arriba NM

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)
1150' FNL, 790' FWL Sec.7, T26N, R03W (D)

12. CHECK APPROPRIATE BOX(ES) 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"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other <u>Add PC</u>
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

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 recomplete 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 recompletion 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.)

In accordance with Administrative Order DHC-2740-B Energen Resources intends to downhole commingle the existing Blanco Mesaverde (72319), Wild Horse Gallup (87360) and Basin Dakota (71599) with Tapacitos Pictured Cliffs production (85920). The existing perforations are 5307'-5414', 5642'-5992', 6829'-7210', 7333'-7434', 7822'-7840'. Energen intends to set a bridge plug above the MV perforations, then perforate and fracture the PC around 3646'-3670'. Once flowback and cleanout is complete, the bridge plug will be drilled out, tubing landed the well will be put back on to production. Recommended allocation will be by the subtraction method following 60 days of stabilized production. Commingling will not reduce the total remaining productions value. The interest owners are identical for each zone. Rates will be reported to NMOCD-Aztec for final determination. This will be closed loop.

OIL CONS. DIV DIST. 3

MAY 21 2014

DHC 2740 A

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

Name (Printed/Typed) Collin Placke Title District Engineer

Signature Collin Placke Date 5/16/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by Original Signed: Stephen Mason Title _____ Date MAY 20 2014

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 _____

NMOCD AV