

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 June 19, 2008

HOBBS OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505
 AUG 05 2013

| |
|---|
| WELL API NO. 30-025-08508 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. 27821 |
| 7. Lease Name or Unit Agreement Name: State B |
| 8. Well Number 2 |
| 9. OGRID Number 162928 |
| 10. Pool name or Wildcat Townsend; Permo Upper Penn |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3974' |

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:
 Oil Well Gas Well Other

2. Name of Operator
Energen Resources Corporation

3. Address of Operator
3300 North A St., Bldg. 4, Ste. 100, Midland, TX 79705

4. Well Location
 Unit Letter **O** ; **3690** feet from the **South** line and **2200** feet from the **East** line
 Section **1** Township **16S** Range **35E** NMPM County **Lea**

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL
 DOWNHOLE COMMINGLE

OTHER:

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB

OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See attached plugging procedure

OIL CONSERVATION DIVISION - Hobbs office Must Be Notified 24 hours prior to the beginning of Plugging Operations.

Spud Date:

Rig Release Date:

Per JS
 During this procedure we plan to use the closed-loop system with a steel tank and haul contents to the required disposal, per OCD Rule 19.15.17.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE *Jenifer Sorley* TITLE Regulatory Analyst DATE 8/2/13
 Type or print name Jenifer Sorley E-mail address: jenifer.sorley@energen.com PHONE 432-818-1732

For State Use Only
 APPROVED BY *[Signature]* TITLE Dist MGR DATE 8-7-2013
 Conditions of Approval (if any):

AUG 07 2013

State "B" #2

Lea County, NM

Location: 3690' FSL, 2200' FEL, Sec 1, T-16-S, R-35-E

API — 30-025-08508

Completion Date: 1/25/1957

Plug & Abandon Procedure

- 1** MIRU Well Service Unit. NDWH, NU BOP.
- 2** RIH and tag CIBP @ 10,500'. Circulate the hole with MLF.
- 3** Spot 35 sxs cement on CIBP.
- 4** Perforate at 7,425'. Pump 35 sxs cement plug and displace to 7,325', WOC & Tag.
- 5** Perforate at 4,725'. Pump ~~35~~⁵⁰ sxs cement plug and displace to ~~4,625'~~^{4,500'} WOC & Tag. ✓
- 6** Perforate at 2,750'. Pump 55 sxs cement plug and displace to 2,650', WOC & Tag. ✓
- 7** Perforate at 1,900'. Pump 55 sxs cement plug and displace to 1,800', WOC & Tag. ✓
- 8** Perforate at 400'. Pump 55 sxs cement plug and displace to 300', WOC & Tag. ✓
- 9** Spot 30 sxs from 100' to surface.
- 10** Cut off all casing strings at base of cellar or 3' below restored ground level.
- 11** Cover wellbore with metal plate welded in place or with cement cap.
- 12** Erect capped abandonment marker inscribed with well information.
- 13** Cut off dead man anchors and fill in cellar.
- 14** Clean and restore location to natural condition and fulfill any and all regulatory

Prepared by: Brian Hillger

8/1/2013

Energen Resources
State "B" #2
Lea County, New Mexico

Elevation KB: 3,984

Location: 3690' FSL, 2200' FEL, Sec 1, T-16-S, R-35-E
 Spudded: 11-15-1956 Completed: 1-25-1957
 API #: 30-025-08508

Current status: TA'd
 1/3/06

Formation Tops

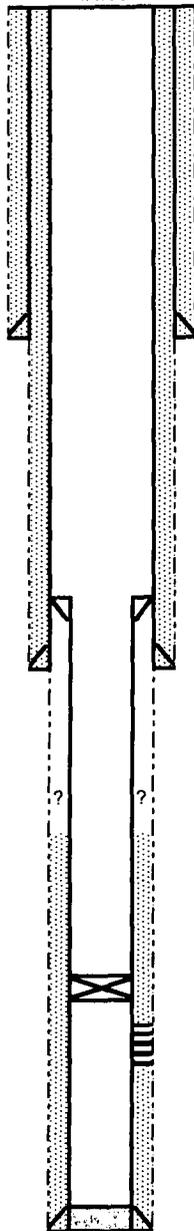
| | |
|-------------|---------|
| Yates: | 3,050' |
| 7 Rivers: | 3,195' |
| Queen: | 3,930' |
| San Andres: | 4,650' |
| Glorieta: | 6,150' |
| Tubb: | 7,425' |
| Abo: | 8,150' |
| Upper Penn: | 10,497' |

Surface csg:
 13 3/8" @ 372'
 Cmt w/ 250 sx
 Cement circulated
 17 1/4" hole

Intermediate csg:
 8 5/8"
 Set @ 4706'
 Cmt w/1875 sx
 TOC @ 11'
 11" hole

PBTD: 10,668'

Production Casing:
 5 1/2"
 Set 4,488'-10,851'
 Cmt w/400 sx
 7-7/8" hole



372'

Top of 5 1/2" Liner @ 4,488

4706'

CIPB: Set at 10,500'

Perfs: 10,556-10,610', 10,620'-10,650' (Permo Upper Penn)

TD: 10,851'

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State "B" #2
Lea County, New Mexico

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 Spudded: 11-15-1956 Completed: 1-25-1957
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Proposed WBD

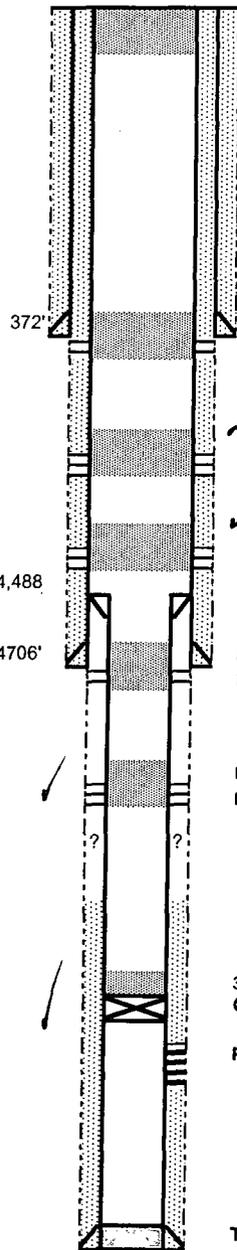
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30 sxs cement plug from 100'-Surface

Formation Tops

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- 7 Rivers: 3,195'
- Queen: 3,930'
- San Andres: 4,650'
- Glorieta: 6,150'
- Tubb: 7,425'
- Abo: 8,150'
- Upper Penn: 10,497'

Perforate squeeze holes @ 400'. Squeeze and displace cement plug from 400'-300' with 55 sxs.

Perforate squeeze holes @ 1,900'. Squeeze and displace cement plug from 1,900'-1,800' with 55 sxs.

Perforate squeeze holes @ 2,750'. Squeeze and displace cement plug from 2,750'-2,650' with 55 sxs.

Perforate squeeze holes @ ^{4750'}4,725'. Squeeze and displace cement plug from 4,725'-4,625' with 35 sxs. *SOSXEMT*

4750 - 4400 WOC - TAG

Perforate squeeze holes @ 7,425'. Squeeze and displace cement plug from 7,425'-7,325' with 35 sxs.

35 sack cement plug on CIBP from 10,500'-10,208'.
 CIPB: Set at 10,500'

Perfs: 10,556-10,610', 10,620'-10,650' (Permo Upper Penn)

TD: 10,851'