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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

WELL API NO. 30-025-01218

5. Indicate Type of Lease STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name: Saunders SWD

1. Type of Well: Oil Well ☐ Gas Well ☐ Other SWD

8. Well Number 2

2. Name of Operator: Energen Resources Corporation

9. OGRID Number 162928

3. Address of Operator: 3300 N. A Street, Bldg. 4, Suite 100 Midland, TX 79705

10. Pool name or Wildcat

4. Well Location

Unit Letter N : 810 feet from the South line and 1980 feet from the West line

Section 3 Township 15-S Range 33-E NMPM County Lea

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* 4191' GR

Pit or Below-grade Tank Application ☐ **or Closure** ☐

Pit type _____ **Depth to Groundwater** _____ **Distance from nearest fresh water well** _____ **Distance from nearest surface water** _____

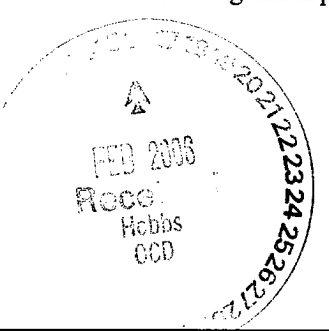
Pit Liner Thickness: _____ **mil** **Below-Grade Tank: Volume** _____ **bbls; Construction Material** _____

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☒	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPLETION	☐	CASING TEST AND CEMENT JOB	☐		
OTHER:	☐			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 procedure.



I hereby certify that the information above is true and complete to the best of my knowledge and belief. **I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines** ☒ **, a general permit** ☐ **or an (attached) alternative OCD-approved plan** ☐

SIGNATURE Carolyn Larson TITLE Regulatory Analyst DATE 2-14-06

E-mail address: clarson@energen.com

Type or print name Carolyn Larson Telephone No. 432/684-3693

For State Use Only

APPROVED BY Gary W. Wink OC FIELD REPRESENTATIVE II/STAFF MANAGER TITLE _____ DATE _____

Conditions of Approval, if any:

FEB 20 2006

ENERGEN RESOURCES CORPORATION

Saunders SWD #2

810' FSL and 1980' FWL
Sec 3, T-15-S, R-33-E
Lea, Co. NM
Saunders Field
Repair Casing Procedure

1. MIRU Pulling Unit
2. Install BOPE. Release from Model D pkr and POOH w/tbg.
3. RIH w/RBP, pkr and 2-7/8" workstring. Set RBP at 4000'. Pressure test RBP to 2000 psi. Circulate 2 sx sand on top of RBP. POOH.
4. RU wireline co. RIH w/CBL/GR/CCL log. Run log from 4000' to top of cement. POOH
5. Perforate 9-5/8" casing at 400' or at a more appropriate depth based on the cement bond log.
6. RIH w/packer, SN and 2-7/8" workstring. Set packer 100' above perforations. Establish injection rate into perfs and attempt to circulate well. Load tbg/casing annulus and pressure to 1000 psi. Reverse down 9-5/8" bradenhead if necessary to attempt to break circulation
7. Once circulation is established, cement down tubing with a minimum of 200 sx class C depending upon depth of perforations. Once cement circulates to surface, flush cement below packer, close bradenhead and squeeze to 1000 psi. At 400', the pressure differential is approximately 135 psi.
8. Maintain 1000 psi on tubing and shut-in.
9. WOC.
10. RIH w/8-5/8" bit, 6-4-1/2" drill collars and 2-7/8" tubing. Drill out cement and pressure test casing to 500 psi.
11. RIH w/overshot to RBP reverse circulate out sand and retrieve RBP.
12. RIH w/seal assembly and tubing to packer. Circulate casing with 300 bbls treated 2% KCl water.
13. RD BOPE. Latch into pkr and pressure test to 500 psi. Install wellhead.
14. Notify NMOCD and perform MIT to 500 psig.