

RECEIVED
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88201
District III
1000 Rio Blanco Blvd., Hobbs, NM 88241
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-101
June 16, 2008

Oil Conservation Division
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,
PLUGBACK, OR ADD A ZONE**

¹ Operator Name and Address Energen Resources Corporation 3300 N. A St., Bldg. 4, Ste. 100 Midland, Tx 79705		² OGRID Number 162928 ✓
		³ API Number 30- 025-26561 ✓
⁴ Property Code 27820 ✓	⁵ Property Name West Lovington Strawn Unit	⁶ Well No. 26 ✓
⁹ Proposed Pool 1 Lovington; Strawn, West ✓		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
P	32	15S	35E		662	South	660	East	Lea

⁸ Proposed 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

Additional Well Location

¹¹ Work Type Code E ✓	¹² Well Type Code 0	¹³ Cable/Rotary R	¹⁴ Lease Type Code Fee ✓	¹⁵ Ground Level Elevation 3989'
¹⁶ Multiple	¹⁷ Proposed Depth 11,800'	¹⁸ Formation Strawn	¹⁹ Contractor Lariat	²⁰ Spud Date

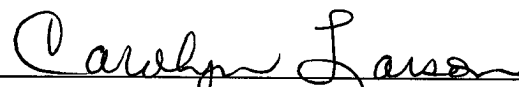
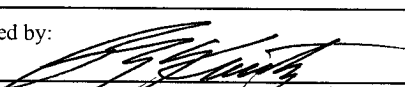
²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48.00#	402'	600sx	In place
12 1/4"	8 5/8"	24-32.00#	4731'	3000sx	In Place
7 7/8"	5 1/2"	17.00#	11,800'	See procedure	circulated

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone Describe the blowout prevention program, if any. Use additional sheets if necessary

This APD is for re-entry into the PA'd well formerly known as Baer #3 drilled by Yates Petroleum.
See attached procedure.

**Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Re-Entry**

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: 		Approved by: 	
Printed name: Carolyn Larson		Title: PETROLEUM ENGINEER	
Title: Regulatory Analyst		Approval Date:	Expiration Date:
E-mail Address: carolyn.larson@energen.com		NOV 26 2008	
Date: November 12, 2008	Phone: (432) 684-3603	Conditions of Approval Attached <input type="checkbox"/>	

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, 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 & Natural Resources Department

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

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-26561	Pool Code 40875	Pool Name Lovington; Strawn, West
Property Code 27820	Property Name WEST LOVINGTON STRAWN UNIT	Well Number 26
OGRID No. 162928	Operator Name ENERGEN RESOURCES, CORPORATION	Elevation 3989'

Surface Location

UL or lot No. P	Section 32	Township 15 S	Range 35 E	Lot Idn	Feet from the 662	North/South line SOUTH	Feet from the 660	East/West line EAST	County LEA
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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
Dedicated Acres 80	Joint or Infill	Consolidation Code	Order No.						

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

			Plane Coordinate X = 779,272.6 Y = 717,158.9 Geodetic Coordinate Lot. 32°58'05.60" N Lon 103°25'21.92" W (NAD '27)
NOTE: 1) Plane Coordinates shown hereon are Transverse Mercator Grid and Conform to the "New Mexico Coordinate System", New Mexico East Zone, North American Datum of 1927. Distances shown hereon are mean horizontal surface values.			660' 662'

OPERATOR CERTIFICATION

I hereby verify the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Carolyn Larson 11/2/08
Signature Date
Carolyn Larson
Printed Name

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

October 20, 2008
Date of Survey JCC
Signature of Registered Professional Surveyor
NEW MEXICO
11185
W.O. Num. 2008-1211
Certificate No. MASON McDONALD 12185

ENERGEN

R E S O U R C E S

RE-ENTRY and DEEPENING PROGRAM

WLSU # 26

662' FSL, 660' FEL, Sec. 32, T-15-S, Rge- 35-E

Lea County, New Mexico

Lease #NM-00000, API # 30-000-00000

1. ESTIMATED TOPS of IMPORTANT GEOLOGICAL MARKERS:

Rustler	1827'
Glorieta	6227'
Strawn	11,500'
TD	11,800'

2. ESTIMATED DEPTHS of ANTICIPATED FRESH WATER, OIL, or GAS:

Upper Permian Sands	100'	Fresh Water
Wolfcamp	10520'	Oil & Gas
Strawn	11525'	Oil & Gas

No other formations are expected to give up oil, gas, or fresh water in measurable quantities. The Surface Fresh Water sands are protected by 13 3/8" surface casing at 402'.

3. MINIMUM SPECIFICATIONS for PRESSURE CONTROL:

The blowout preventer equipment (BOP) will consist of a double ram type 5000 # WP preventer and an annular preventer (5000 # WP). Units will be hydraulically operated and the ram BOP will be equipped with blind rams and pipe rams. All BOP's, and accessory equipment will be tested in accordance with the Onshore Oil and Gas order No.2. Before drilling out the intermediate casing, BOP's and accessory equipment will be tested to 5000# high, 1000# low, annular to 3500# high , 1000# low.

Pipe rams will be operationally checked each 24 hrs. Blind rams will be operationally checked on each trip. These checks will be noted on the daily tour sheets.

- A. A Kelly cock will be kept in the drill string at all times.
- B. A full opening drill pipe stabbing valve (inside BOP) with proper connections will be on the floor at all times.
- C. H2S detectors will be continuously monitoring the well site..

RE-ENTRY and DEEPENING PROGRAM

WLSU # 26

662' FSL, 660' FEL, Sec. 32, T-15-S, Rge 35-E, Lea Cty, NM

4. CASING PROGRAM PROPOSED:

<u>Hole Size</u>	<u>Interval</u>	<u>OD Casing</u>	<u>Weight, Grade</u>
17 1/2" Surface	0- 402'	13 3/8"	48#, H-40, STC (Already in Place)
12 1/4" Intermediate	0- 4731'	8 5/8"	24,32#, K-55, STC (Already in Place)
7 7/8" Production	0- 11800'	5 1/2"	17#, HCL, LTC,BTC

5. CEMENTNG PROGRAM:

13 3/8" Surface	Cemented to Surface with 600 sxs.
8 5/8" Intermediate	Cemented with 3000 sxs. (No record of circulation or TOC)
5 1/2" Production	Cement to 1000-1500' inside 8 5/8" casing- Cmt. Vol. to be determined

6. DRILLING PROGRAM:

Drill out cement plugs at:	0-40'	10 sxs	7332-7432'	50 sxs
	1950-2050'	25 sxs	9605-9705'	50 sxs
	4681-4781'	65 sxs (Tagged this plug)	11528-11628'	50 sxs
	6100-6200	50 sxs	12914-13014'	50 sxs

After drilling out plugs through 11,628', continue in hole to 12,500', circulate hole clean, TOOH for logs, after evaluation of logs, TIH and set OH cement plug at 12,500', pull up hole 1000', shut down, WOC 6 hrs, TIH tag plug and if in place, TOOH, LDDP,DC's, run 5 1/2" production casing and cement.

7. SURVEYS:

Surveys will be run every 250' from 4700' to TD.

6. MUD PROGRAM:

This well will be drilled to TD with a XCD Polymer mud system from 4731' to 11,800'. Mud weight will be 9.4-10.2 #/gal. Sufficient mud materials will be kept on location at all times to meet any unanticipated loss of circulation and /or needed weight gain. A closed loop system will be used.

7. LOGGING, TESTING, and CORING:

The electric logging program will be 1 run with a triple combo tool consisting of the following logs: NGT-CNL-LDT; BHC Sonic; Array Laterlog

RE-ENTRY and DEEPENING PROGRAM

WLSU # 26

662' FSL, 660' FEL, Sec. 32, T-15-S, Rge 35-E, Lea Cty, NM

8. ABNORMAL PRESSURES, CONDITIONS, TEMPERATURES and POTENTIAL HAZARDS

No abnormal pressures or temperatures are anticipated. The estimated BH Temp at TD is 175 degrees F with an estimated maximum bottom hole pressure (BHP) of 5000 psig. No H₂S, other hazardous gases or fluids have been encountered, reported, or know to exist in this area. No major lost circulation zones have been reported in offsetting wells.

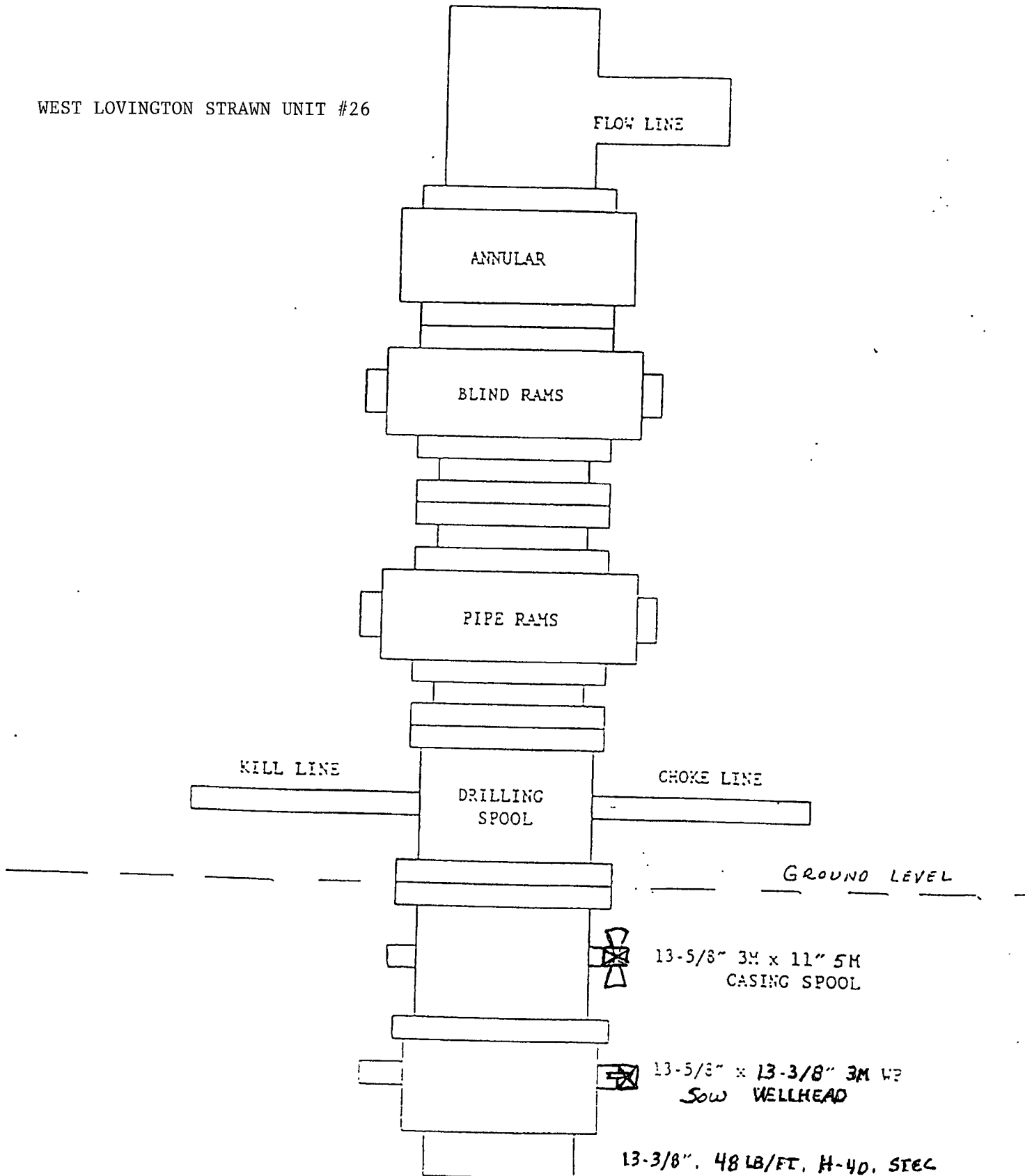
8. ANTICIPATED STARTING DATE AND DURATION OF OPERATIONS

Road and location will have to be reconstructed for the re-entry into the area. This will commence as soon as permits are received. Date of actual start of operations is unknown at this time. We will notify the OCD and landowner 5 days ahead of time. Actual re-entry and drilling of well should take 10-12 days. If the well is productive, an additional 30 to 45 days will be required for completion and testing. Well will be produced to an existing battery on the lease not on this location.

ENERGEN RESOURCES CORPORATION

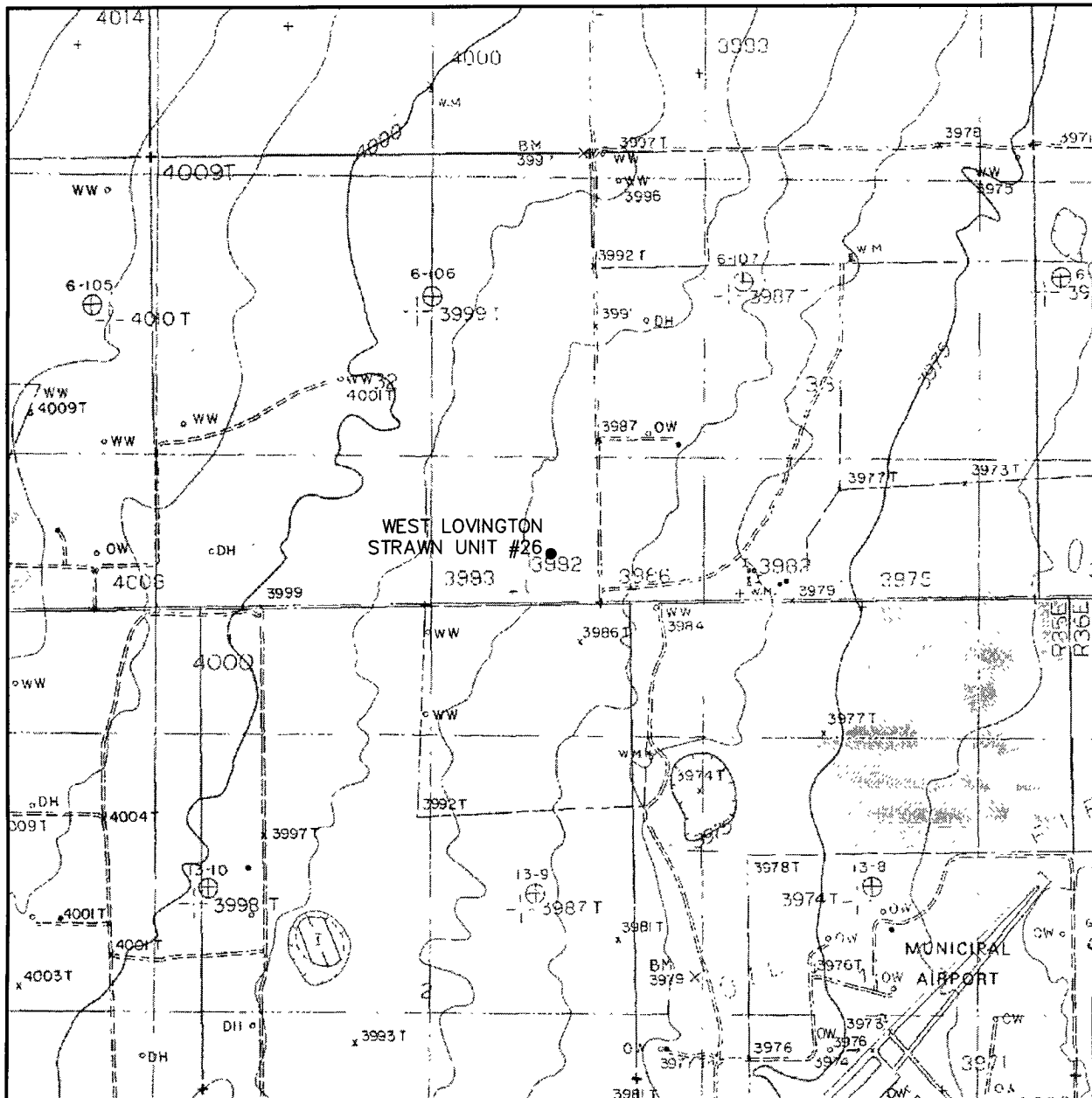
BOP EQUIPMENT

WEST LOVINGTON STRAWN UNIT #26



MINIMUM BOP REQUIREMENT 5,000 PSI W.P.

LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
LOVINGTON NW - 5'

SEC. 32 TWP. 15-S RGE. 35-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 662' FSL & 660' FEL

ELEVATION 3989'

OPERATOR ENERGEN RESOURCES CORPORATION

LEASE WEST LOVINGTON STRAWN UNIT

U.S.G.S. TOPOGRAPHIC MAP
LOVINGTON N.W.



**WEST
COMPANY**
of Midland, Inc.

110 W. LOUISIANA, STE. 110
MIDLAND TEXAS, 79701
(432) 687-0865 - (432) 687-0868 FAX



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