



June 15, 2001

Ms. Lori Wrotenbery
NMOCD
1220 South ST. Francis Drive
Santa Fe, New Mexico 87504

RE: Administrative Approval to Downhole Commingle
Energen Resources Corporation
San Juan 30-4 Unit #41M
807' FSL, 692' FEL, Sec. 18, T30N, R4W, N.M.P.M.
Rio Arriba County, New Mexico
API # 30-039-25917

Dear Ms. Wrotenbery:

Energen Resources Corporation requests Administrative Approval to add the E Blanco Pictured Cliffs and downhole commingle it with the Blanco Mesa Verde in the subject well. The well is currently producing as a single Mesa Verde completion. Open hole log results show additional potential in the Pictured Cliffs formation similar to offset producing wells. Due to the mechanical configuration of this wellbore, it is felt commingling is the most economical way to produce the Pictured Cliffs reserves in this proration unit.

To comply with New Mexico Oil Conservation Rules, Energen Resources Corporation, is submitting the following data for your approval of the proposed commingling:

1. Form C107A – Application for Downhole Commingle
2. C102 – Location plat showing each spacing unit and dedicated acreage
3. Production curves for both the Pictured Cliffs and Mesa Verde
4. Offset operator plat
5. Ownership list of working, royalty and overriding royalty interests
6. Supporting pressure data
7. Proposed allocation method

In accordance with New Mexico Oil Conservation Division Rule 303D, all offset operators, working, royalty, and overriding royalty interests are being notified of this application by certified mail. As an offset operator, working, royalty or overriding royalty owner, and you have no objection to this application, you do not have to respond to this notification.

If additional information is needed, please contact me.

Sincerely,

Gary W. Brink
Production Superintendent

GWB/vd

cc: NMOCD – Aztec, BLM – Farmington, Offset Operators, Working, Royalty, Overriding Royalty Owners

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 South First Street, Artesia, NM 86210
District III
Well
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505
APPLICATION FOR DOWNHOLE COMMINGLING

Form C-107A
Revised May 15, 2000
APPLICATION TYPE
X Single
____ Establish Pre-Approved Pools
EXISTING WELLBORE
X Yes ____ No

Energen Resources Corporation 2198 Bloomfield Highway, Farmington, New Mexico 87401
Operator Address
San Juan 30-4 Unit 41M P Sec 18 T30N R4W Rio Arriba
Lease Well No. Unit Letter-Section-Township-Range County
OGRID No. 162928 Property Code 21994 API No. 3003925917 Lease Type: _X_ Federal ____ State ____ Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	East Blanco Pictured Cliffs		Blanco Mesaverde
Pool Code	72400		72319
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4170-4390		5196-6722
Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)	529 Est		384 Calc
Oil Gravity or Gas BTU (Degree API or Gas BTU)	1080 Btu		1050 Btu
Producing, Shut-In or New Zone	New Zone		Producing
Date and Oil/Gas/Water Rates of Last Production. (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)	Date: n/a Rates: n/a	Date: Rates:	Date: 4/1/2001 Rates: 0 / 150/ .5
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)	Oil Gas % %	Oil Gas % %	Oil Gas % %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes ____ No _X_
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes _X_ No ____
Are all produced fluids from all commingled zones compatible with each other? Yes _X_ No ____
Will commingling decrease the value of production? Yes ____ No _X_
If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes _X_ No ____
NMOCD Reference Case No. applicable to this well: _____

Attachments:
C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
Production curve for each zone for at least one year. (If not available, attach explanation.)
For zones with no production history, estimated production rates and supporting data.
Data to support allocation method or formula.
Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools
List of all operators within the proposed Pre-Approved Pools
Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE _____ TITLE District Superintendent DATE 6/15/01
TYPE OR PRINT NAME GARY BRINK TELEPHONE NO. (505) 325-6800

District I
 (7) Box 1980, Hobbs, NM 88241-1980
 District II
 811 South First, Artesia, NM 87210
 District III
 1000 Rio Huerfano Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-102

Revised October 18, 1994

Instructions on back

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. AIT Number 30-039-25917		2. Pool Code 72400/72319		3. Pool Name E Blanco Pictured Cliffs/ Blanco Mesa Verde	
4. Property Code 21994		5. Property Name SAN JUAN 30-4 UNIT			6. Well Number 41 M
7. OGRUD No. 162928		8. Operator Name Energen Resources			9. Elevation 7416

10. Surface Location

UT, or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West Line	County
P	18	30N	4W		807	SOUTH	692	EAST	RIO ARriba

11. Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South Line	Feet from the	East/West Line	County

12. Dedicated Acre 269.56/60	13. Joint or Infill	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. WEST 4445.76		17. OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief <i>[Signature]</i> Gary W. Brink Production Superintendent Date: 6/13/01	
	18. WEST 4448.40			18. SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was placed 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. 4-24-98 Date of Survey Signature and Seal of Professional Surveyer:
	19. WEST 4448.40			
	20. WEST 4448.40			

San Juan Unit 30-4 #41M

Proposed Allocation Method

Produce total well stream for 60 days following Pictured Cliffs pay add

Pay add projected to add 100 MCFD from Pictured Cliffs

Total Stream = X

Mesaverde flow rate = 150 MCFD

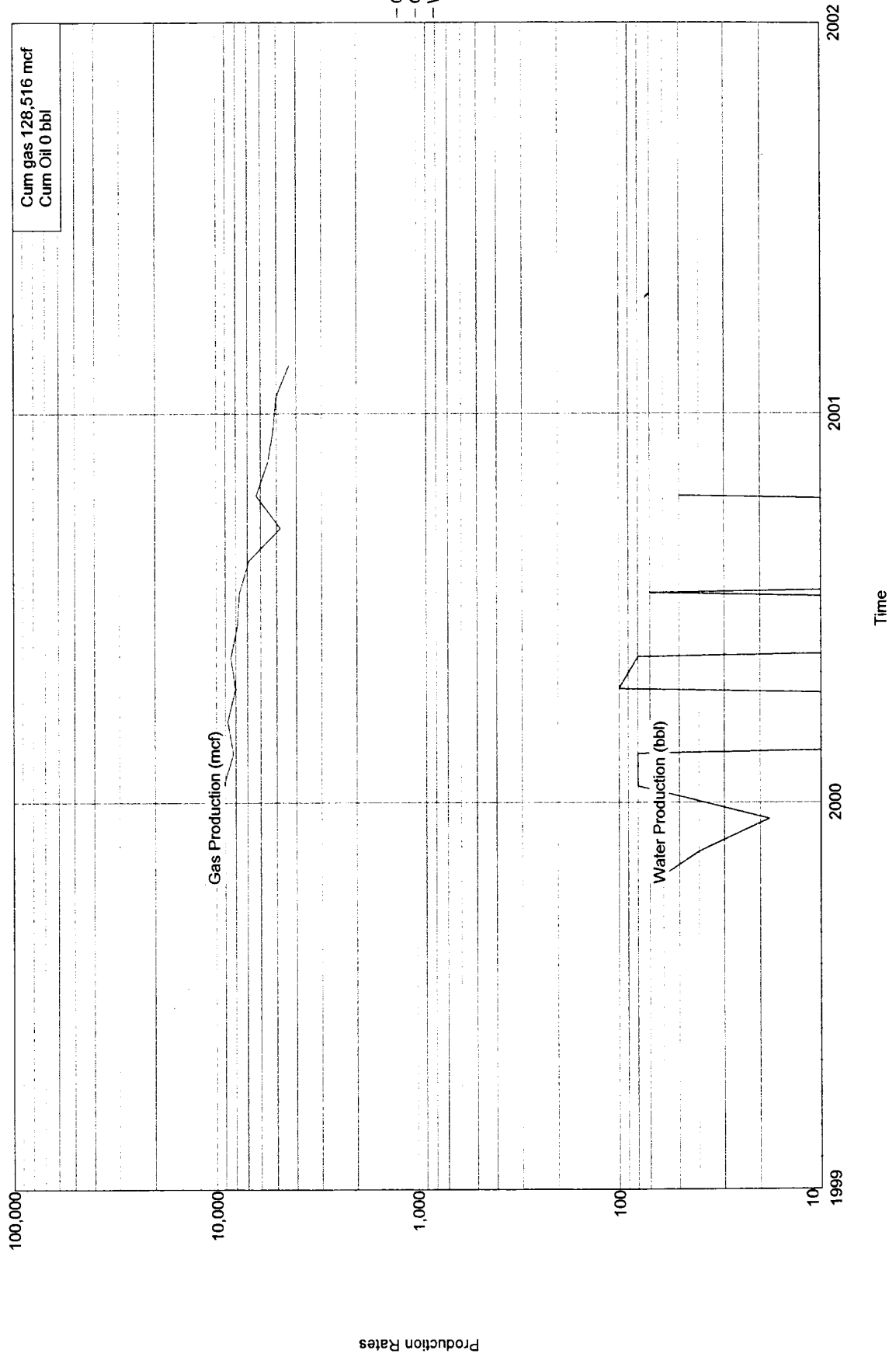
MV Allocation = $150 / X$ as a percentage

PC allocation = $(X - 150) / X$ as a percentage

Rates will be reported to NMOCD- Aztec for final allocation percentage determination

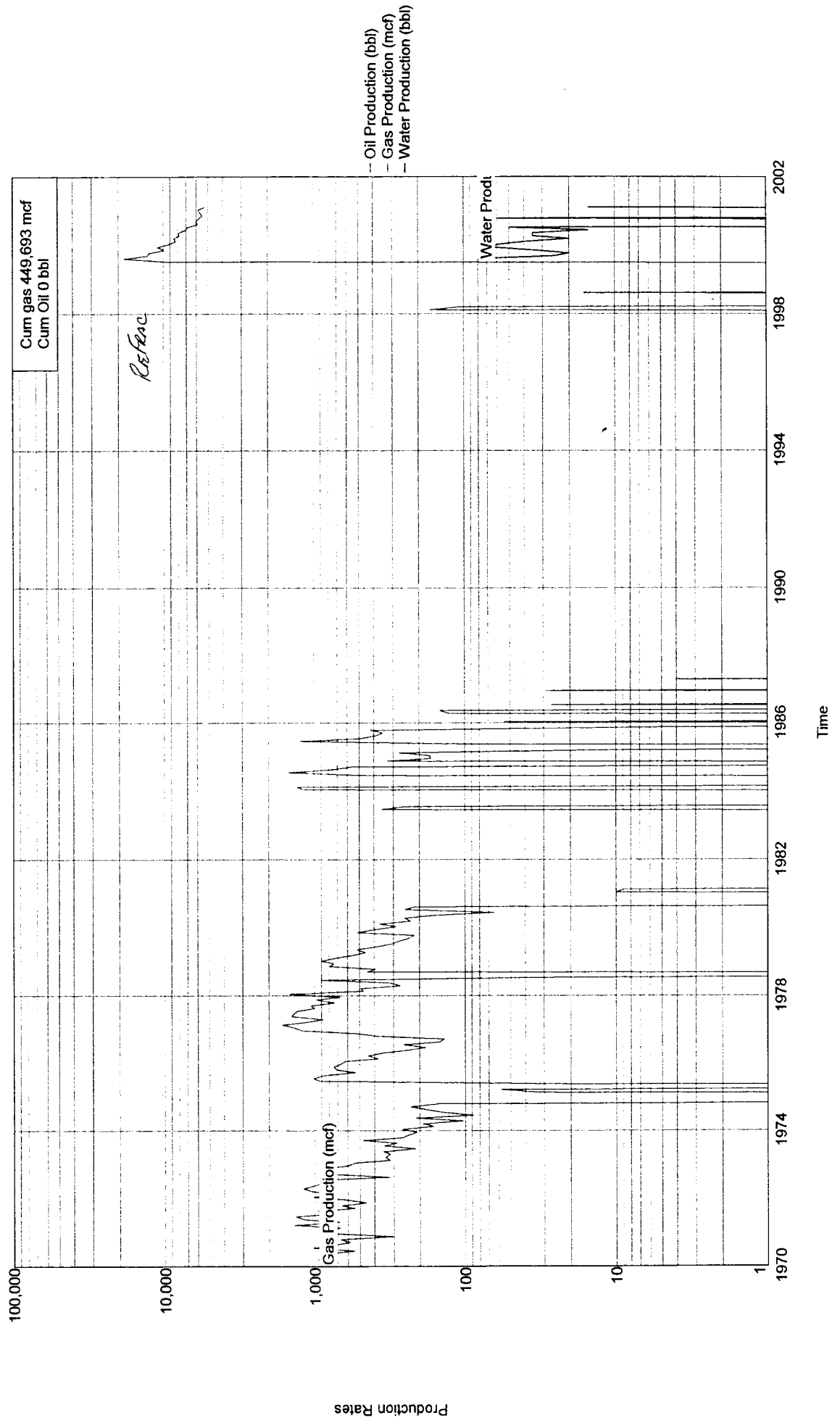
Lease Name: SAN JUAN 30 4 UNIT
 County, State: RIO ARBA, NM
 Operator: TAURUS EXPLORATION USA INCORPORATED
 Field: BLANCO
 Reservoir: MESAVERDE
 Location: 18 30N 4W NW SE SE

San Juan 30-4 Unit 41M



Lease Name: SAN JUAN 30 4 UNIT
County, State: RIO ARBA, NM
Operator: TAURUS EXPLORATION USA INCORPORATED
Field: BLANCO EAST
Reservoir: PICTURED CLIFFS
Location: 18 30N 4W SW

PC Type Curve



Energen Resources Corp.

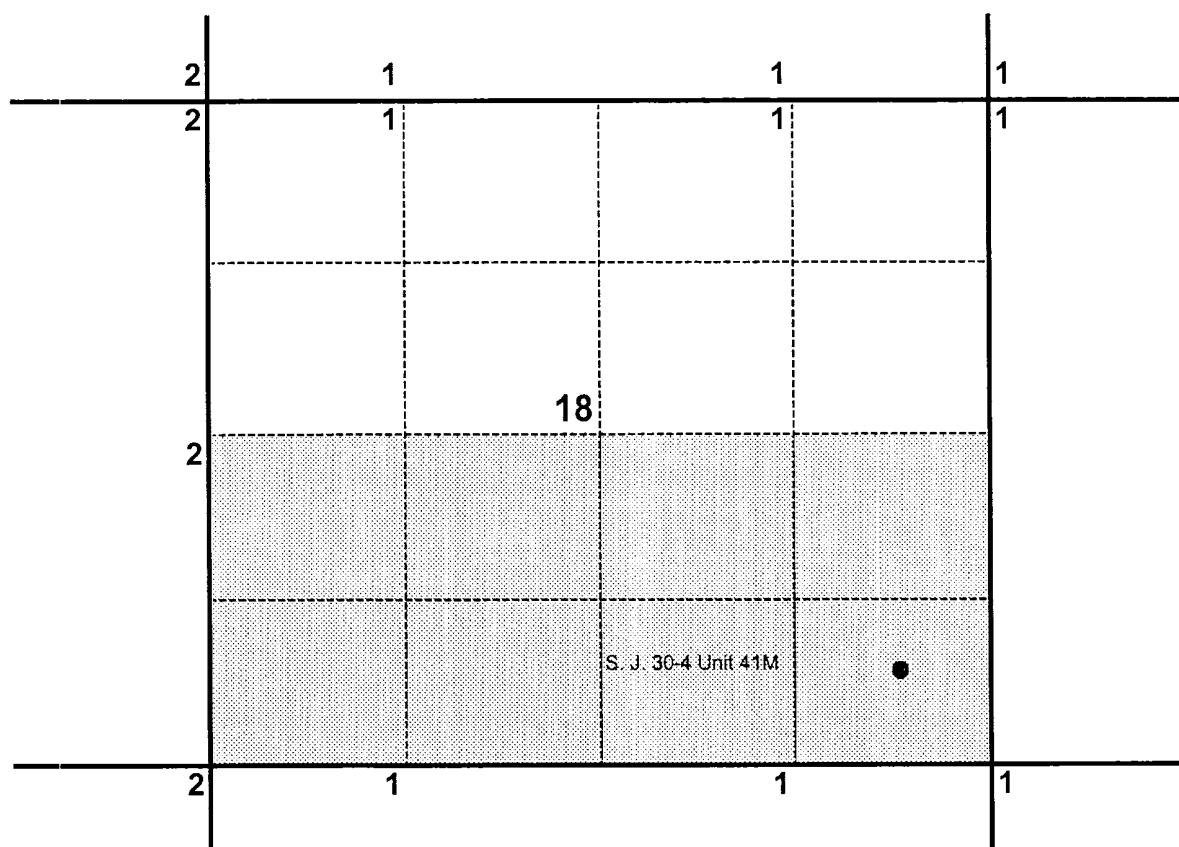
San Juan 30-4 Unit 41M

Offset Operator / Ownership Plat

E. Blanco Pictured Cliffs/ Blanco Mesa Verde

Downhole Commingling

Township 30 N, Range 4 W



1) Energen Resources

2) Phillips Petroleum

5525 Highway 64

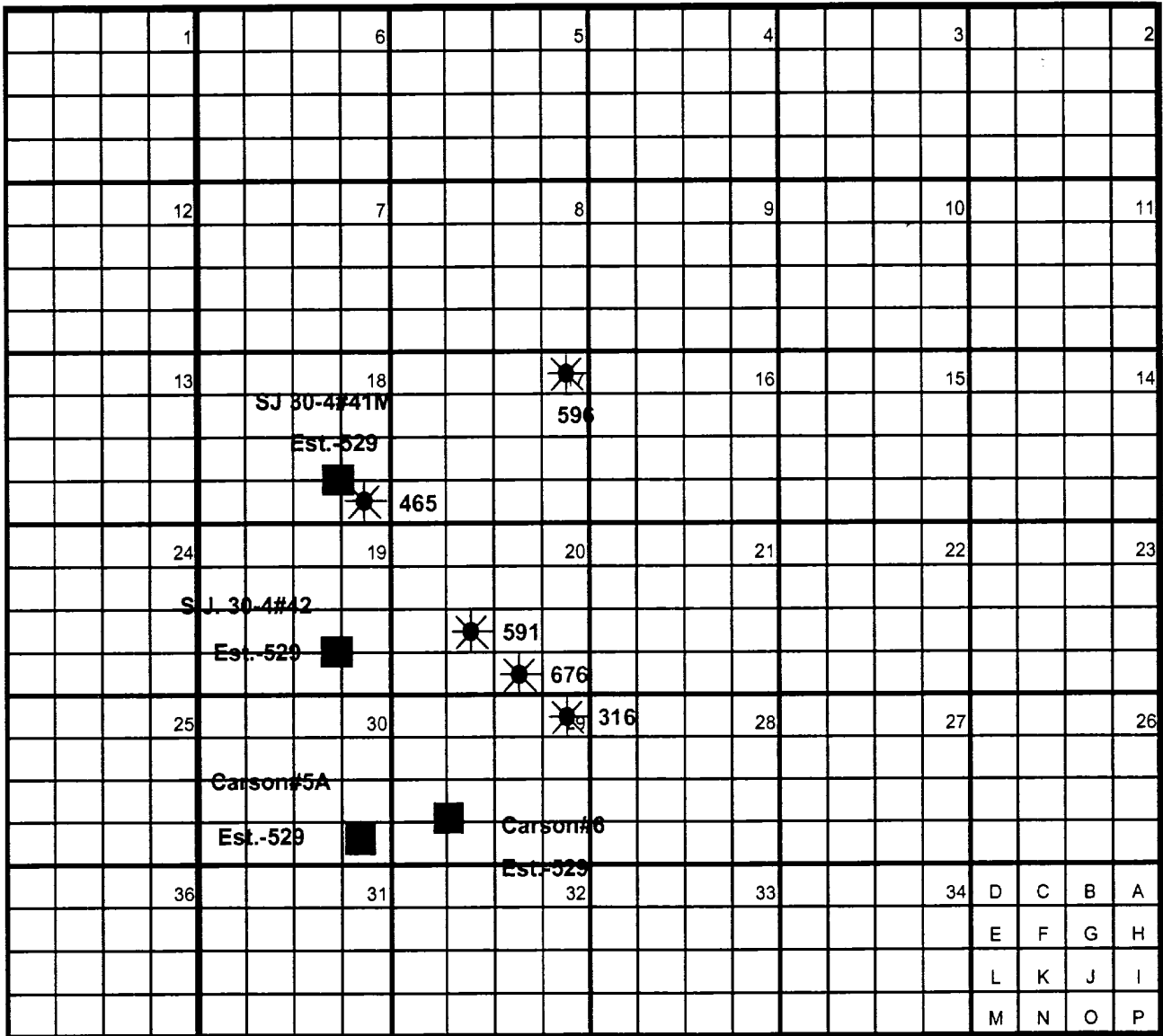
Farmington, N.M. 87401

Pictured Cliffs Current Shut-In Bottom Hole Pressure

R5W

R4W

T30N



PC Payadds



PC Well

Current BHP, psia

DIR LISTING for Rich Corcoran, from process LD0110 (P22547)

LDO Master Owner Display

# Owner...	Name.....	Type	Gross Wkg	Int	Net	Rev	Int...	Pay Code
1 20	ENERGEN RESOURCES CORP NP					0.11837800	X	
2 20	ENERGEN RESOURCES CORP OR					0.00271942	X	
3 2231	JANE ANN WILLIAMS ✓	OR				0.00046888	M	
4 2302	FREDERICK EUGENE TURNER ✓	OR				0.00019456	M	
5 2307	J GLENN TURNER JR ✓	OR				0.00019456	M	
6 2345	ELIZABETH JEANNE CALLO ✓	OR				0.00019456	M	
7 2465	JOHN LEE TURNER ✓	OR				0.00019456	M	
8 2631	WILLIAM G WEBB ✓	OR				0.00004096	M	
9 30341	CHARLES W GAY ✓	OR				0.00002764	M	
10 30342	LORRAYN GAY HACKER ✓	OR				0.00023534	M	
11 31485	EVELYN G BROWN TRUST ✓	OR				0.00056059	M	
12 31486	ALGERNON W BROWN TRUST ✓	OR				0.00079592	M	
13 3587	BEVERLY HENRY CORP NEW ✓	OR				0.00055272	M	
14 3820	JAMES M RAYMOND ✓	OR				0.00081919	M	
15 3956	W G PEAVY OIL COMPANY ✓	OR				0.00079593	M	
16 4165	DUGAN PRODUCTION CORP ✓	OR				0.00189506	M	
17 4188	MAR OIL & GAS CORP. ✓	I OR				0.00079593	M	
18 4555	EJ E BROWN COMPANY ✓	OR				0.00005527	M	
19 4597	MAYDELL MILLER MAST TR	OR				0.00311635	M	
20 5735	T H MCELVAIN OIL & GAS	OR				0.00026531	M	
21 5949	RUTH ZIMMERMAN TRUSTEE	OR				0.00052851	M	
22 6000	ROMERO FAMILY LTD PART	OR				0.00079592	M	
23 6085	THELMA POOL REV MARITA	OR				0.00079593	M	
24 6086	HAROLD O POOL TRUST	OR				0.00019898	M	
25 6282	ROBERT & FRANCES TINNI	OR				0.00132654	M	
26 6719	BURLINGTON RESOURCES,	OR				0.00000771	M	
27 30341	CHARLES W GAY	PP				0.00000771	M	
28 30342	LORRAYN GAY HACKER	PP				0.00015414	M	
29 3820	JAMES M RAYMOND	PP				0.00001542	M	
30 4597	MAYDELL MILLER MAST TR	PP				0.00243302	M	
31 2729	MARIA M RIBERA	RY				0.12235860	A	
32 3140	MINERALS MANAGEMENT SE	RY				0.00010419	M	
33 4892	RICHARD WILLIAM SIMMS	RY				0.00010419	M	
34 4893	MARY SIMMS SCHUTZ	RY				0.00010419	M	
35 20	ENERGEN RESOURCES CORP	RI				0.85121301	X	
36 30341	CHARLES W GAY	RI				0.00025960	X	
37 30342	LORRAYN GAY HACKER	RI				0.00025960	X	
38 31485	EVELYN G BROWN TRUST	RI				0.00296076	M	
39 31486	ALGERNON W BROWN TRUST	RI				0.00705260	M	
40 3587	JANE ANN WILLIAMS ✓	RI				0.00747652	M	
41 3820	JAMES M RAYMOND ✓	RI				0.00519203	M	
42 4165	DUGAN PRODUCTION CORP	RI				0.00747652	M	
43 4188	MAR OIL & GAS CORP. ✓	I RI				0.01780125	M	
44 4555	EJ E BROWN COMPANY	RI				0.01001336	M	
45 4597	MAYDELL MILLER MAST TR	RI				0.00051920	M	
46 5735	T H MCELVAIN OIL & GAS	RI				0.05229245	M	
47 5949	RUTH ZIMMERMAN TRUSTEE	RI				0.00249217	M	
48 6085	THELMA POOL REV MARITA	RI				0.01001336	M	
49 6086	HAROLD O POOL TRUST	RI				0.01001336	M	
50 6282	ROBERT & FRANCES TINNI	RI				0.00250334	M	
51 6719	BURLINGTON RESOURCES,	RI				0.01246087	M	
52								
53	Totals:					1.00000000		1.00000000

PL OWNERS

* PROVIDENCE MINERALS

DIR LISTING for Rich Corcoran, from process LD0110 (P11807)

LDO Master Owner Display

#	Owner...	Name.....	Type	Gross Wkg	Int	Net	Rev	Int...	Pay Code
1	30341	CHARLES W GAY	RY				0.00005697	M	
2	30342	LORRAYN GAY HACKER	RY				0.00005697	M	
3	3140	MINERALS MANAGEMENT SE	RY				0.09935546	A	
4	31485	EVELYN G BROWN TRUST	RY				0.00048510	M	
5	31486	ALGERNON W BROWN TRUST	RY				0.00115553	M	
6	3612	ALGERNON W BROWN TRUST	RY				0.00164062	M	
7	3820	JAMES M RAYMOND	RY				0.00113932	M	
8	4165	DUGAN PRODUCTION CORPO	RY				0.00164062	M	
9	4188	MAR OIL & GAS CORP., I	RY				0.00390625	M	
10	4555	EJ E BROWN COMPANY	RY				0.00164062	M	
11	4597	MAYDELL MILLER MAST TR	RY				0.00011393	M	
12	5735	T H MCELVAIN OIL & GAS	RY				0.00683593	M	
13	5949	RUTH ZIMMERMAN TRUSTEE	RY				0.00164062	M	
14	6085	THELMA POOL REV MARITA	RY				0.00164062	M	
15	6086	HAROLD O POOL TRUST	RY				0.00041015	M	
16	6282	ROBERT & FRANCES TINNI	RY				0.00273437	M	
17	6719	BURLINGTON RESOURCES,	RY				0.00039876	M	
18	30341	CHARLES W GAY	RY				0.00039876	M	
19	30342	LORRAYN GAY HACKER	RY				0.00039876	M	
20	31485	EVELYN G BROWN TRUST	RY				0.00339570	M	
21	31486	ALGERNON W BROWN TRUST	RY				0.00808868	M	
22	3612	ALGERNON W BROWN TRUST	RY				0.01148438	M	
23	3820	JAMES M RAYMOND	RY				0.00797527	M	
24	4165	DUGAN PRODUCTION CORPO	RY				0.01148438	M	
25	4188	MAR OIL & GAS CORP., I	RY				0.02734375	M	
26	4555	EJ E BROWN COMPANY	RY				0.01148437	M	
27	4597	MAYDELL MILLER MAST TR	RY				0.00079753	M	
28	5735	T H MCELVAIN OIL & GAS	RY				0.04785156	M	
29	5949	RUTH ZIMMERMAN TRUSTEE	RY				0.00382813	M	
30	6085	THELMA POOL REV MARITA	RY				0.01148438	M	
31	6086	HAROLD O POOL TRUST	RY				0.01148438	M	
32	6282	ROBERT & FRANCES TINNI	RY				0.00287110	M	
33	6719	BURLINGTON RESOURCES,	RY				0.01914063	M	
34	20	EMERGEN RESOURCES CORP	WI				0.69548829	X	
35									
36		Totals:		1.000000000			1.000000000		

End of Report

MV OWNERS