

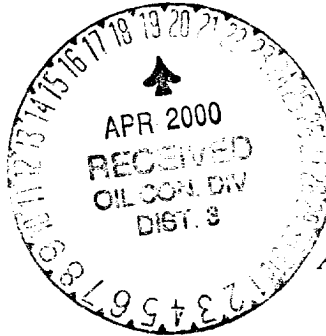


**NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT**

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

April 17, 2000

**Energen Resources Corporation
2198 Bloomfield Highway
Farmington, New Mexico 87401
Attention: Richard Corcoran**



Administrative Order NSL-4435

Dear Mr. Corcoran:

Reference is made to your application dated March 3, 2000 for Energen Resources Corporation to drill its proposed San Juan "30-4" Unit Well No. 44 at an unorthodox Pictured Cliffs gas well location 1095 feet from the North line and 75 feet from the West line (Unit D) of Section 20, Township 30 North, Range 4 West, NMPM, Rio Arriba County, New Mexico. The NW/4 of Section 20 is to be dedicated to the well in order to form a standard 160-acre gas spacing and proration unit for the East Blanco-Pictured Cliffs Pool.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox gas well location is hereby approved.

Sincerely,

Lori Wrotenbery
Director

LW/MES/kv

cc: New Mexico Oil Conservation Division - Aztec /
U. S. Bureau of Land Management - Farmington
U. S. Forest Service - Bloomfield