

Susana Martinez

Governor

John H. Bemis Cabinet Secretary-Designate

Brett F. Woods, Ph.D. Deputy Cabinet Secretary Jami Bailey
Division Director
Oil Conservation Division



October 3, 2011

Energen Resources Corporation Attn: Mr. David M. Poage

Administrative Order SD-201140 Administrative Application Reference No. pTGW11-25551305

ADMINISTRATIVE SIMULTANEOUS DEDICATION ORDER

Operator:

Energen Resources Corporation

OGRID:

162928

Subject Wells

Quintana Mesa Well No. 100 (existing vertical) API No. 30-039-24454 2360 feet FSL & 1740 feet FWL

Unit K, Section 28-32N-5W Rio Arriba County, New Mexico

Quintana Mesa Well No. 100R (horizontal) API No. 30-039-30552

Rio Arriba County, New Mexico

Surface location

1955 feet FNL & 1120 feet FWL (Unit E),

Section 33-32N-5W

Penetration Point

910 feet FSL & 1065 feet FWL (Unit M),

Section 28-32N-5W

Terminus

1442 feet FNL & 1120 feet FWL (Unit E),

Section 28-32N-5W

Oil Conservation Division
1220 South St. Francis Drive • Santa Fe, New Mexico 87505
Phone (505) 476-3440 • Fax (505) 476-3462 • www.emnrd.state.nm.us/OCD



Subject Unit

W/2 of Section 28 320 acres Basin Fruitland Coal Gas Pool (71629)

Reference is made to your application filed on September 12, 2011.

You have requested to simultaneously dedicate the Subject Unit to the Subject Wells.

The Subject Unit is an existing gas spacing unit in the above-identified pool. Applicable well density rules for this pool allow two wells to be completed in each spacing unit, but require that the wells be in different quarter sections. Because new well is or will be completed within both quarter sections of the Subject Unit, division approval for simultaneous dedication is required.

Your application has been duly filed under the provisions of Division Rules 15.11.C [19.15.15.11.C NMAC] and 4.12.A [19.15.4.12.A NMAC].

It is our understanding you have proposed the simultaneous dedication of the Subject Unit to the Subject Wells for geological reasons, in order to prevent waste and maximize production from this unit. We further understand that you have given due notice of this application to all offsetting operators or owners who are "affected persons" as defined in Division Rule 4.12.

Pursuant to the authority granted by Rule 15.11.C, the above-described simultaneous dedication is herby approved.

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Jami Bailey Director

JB/db

cc: New Mexico Oil Conservation Division – Aztec United States Bureau of Land Management