

DATE IN <u>5/2/06</u>	SUSPENSE <u>5-22-06</u>	ENGINEER <u>MIKE STOGNER</u>	LOGGED IN <u>5/3/06</u>	TYPE <u>NSL</u>	APP NO. <u>PTD50612332907</u>
-----------------------	-------------------------	------------------------------	-------------------------	-----------------	-------------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



Jicarilla A #2F

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] **[NSP-Non-Standard Proration Unit]** **[SD-Simultaneous Dedication]**
[DHC-Downhole Commingling] **[CTB-Lease Commingling]** **[PLC-Pool/Lease Commingling]**
[PC-Pool Commingling] **[OLS - Off-Lease Storage]** **[OLM-Off-Lease Measurement]**
[WFX-Waterflood Expansion] **[PMX-Pressure Maintenance Expansion]**
[SWD-Salt Water Disposal] **[IPI-Injection Pressure Increase]**
[EOR-Qualified Enhanced Oil Recovery Certification] **[PPR-Positive Production Response]**

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
 X NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

- [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- [D] Other: Specify _____

- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply
 [A] ☐ Working, Royalty or Overriding Royalty Interest Owners

- [B] X Offset Operators, Leaseholders or Surface Owner

- [C] ☐ Application is One Which Requires Published Legal Notice

- [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

- [E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

- [F] ☐ Waivers are Attached

- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

- [4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Richard Corcoran

Richard Corcoran

Land Manager

4-28-06

Print or Type Name

Signature

Title

Date

Rich.Corcoran@cdxgas.com
 Email Address

2006 MAY 2 PM 12 52

CDX RIO, LLC

2010 Afton Place
Farmington, New Mexico 87401
(505) 326-3003 – Fax (505) 325-4007

April 28, 2006

New Mexico Oil Conservation Division
Attn: Michael E. Stogner
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: ADMINISTRATIVE APPROVAL OF UNORTHODOX LOCATION
JICARILLA A #2F
540' FNL & 665' FEL
SECTION 18-T26N-R5W
RIO ARRIBA COUNTY, NEW MEXICO

30-039-29690

Dear Mr. Stogner:

CDX Rio, LLC hereby requests Administrative Approval for an Unorthodox Location of its proposed Jicarilla A #2F Blanco Mesaverde and Basin Dakota well under the provisions of New Mexico Oil Conservation Division (NMOCD) Orders R-10987 A and B.

The proposed well is to be located 540' FNL & 665' FEL of Section 18-T26N-R5W, Rio Arriba County, New Mexico and dedicated to a standard 320 acre gas spacing unit consisting of the E/2 of said Section 18, in the Blanco Mesaverde and Basin Dakota gas pools. The proposed well would be the third Dakota and second Mesaverde well in the E/2 of Section 18-T26N-R5W.

The proposed well is closer than 660 feet to the northern boundary of the proration unit causing a non-standard location. The original location was staked 665' FNL and 665' FEL of Section 18 setting it on the edge of a Mesa. During our August 3, 2005, onsite with Jicarilla Oil and Gas Administration it was required that the location be moved 150' from the ledge, which has resulted in the proposed location. In addition to the issue of the location being clearly visible from all directions at the original legal site, the amount of trees that would need to be removed was reduced at the new proposed unorthodox location. The well is proposed at this unorthodox location for topographic / vegetative reasons.

The JICARILLA A #2 (API #30-039-08136) located 790' FNL and 1,850' FEL of Section 18-T26N-R5W, was drilled to a total depth of 7,750', completed in the Tapacito Gallup, Blanco Mesaverde, and Basin Dakota formation on December 23, 1964, and has produced 2,712,700 MCFG through February of 2006. The JICARILLA A #2E (API #30-039-22581) located 1,120' FSL and 1,520' FEL of Section 18-T26N-R5W, was drilled to a total depth of 7,567', completed in the Tapacito Gallup and Basin Dakota formation on October 8, 1981, and has produced 1,228,781 MCFG through February of 2006.

Energen Resources Corporation is the operator of the S/2 of Section 7-26N-5W, being the direction of encroachment. Attached is a well location plat showing dedicated acreage (C-102), a topographic plat of the area, and a map showing all offsetting owners.

Your favorable consideration of this request would be appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Richard Corcoran". The signature is fluid and written in black ink.

Richard Corcoran
Land Manager
CDX Gas, LLC

RC/fd

CDX RIO, LLC

2010 Afton Place
Farmington, New Mexico 87401
(505) 326-3003 – Fax (505) 325-4007

April 28, 2006

Certified Mail

Energen Resources Corporation
Attn: Jim Sullins
2198 Bloomfield Hwy
Farmington, NM. 87401

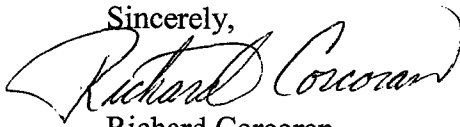
RE: ADMINISTRATIVE APPROVAL OF UNORTHODOX LOCATION
JICARILLA A #2F
540' FNL & 665' FEL
SECTION 18-T26N-R5W
RIO ARriba COUNTY, NEW MEXICO

Dear Mr. Poage,

CDX Rio, LLC has filed with the New Mexico Oil Conservation Division (NMOCD), an application for the Administrative Approval of an Unorthodox location of the Jicarilla A #2F well (API 30 039 29260). A copy of the application has been attached for your review.

Objections to this application must be sent to the NMOCD at 1220 South St. Frances Dr. in Santa Fe, New Mexico 87505, within 20 days of receipt of this application. Your cooperation in this matter is appreciated.

Sincerely,

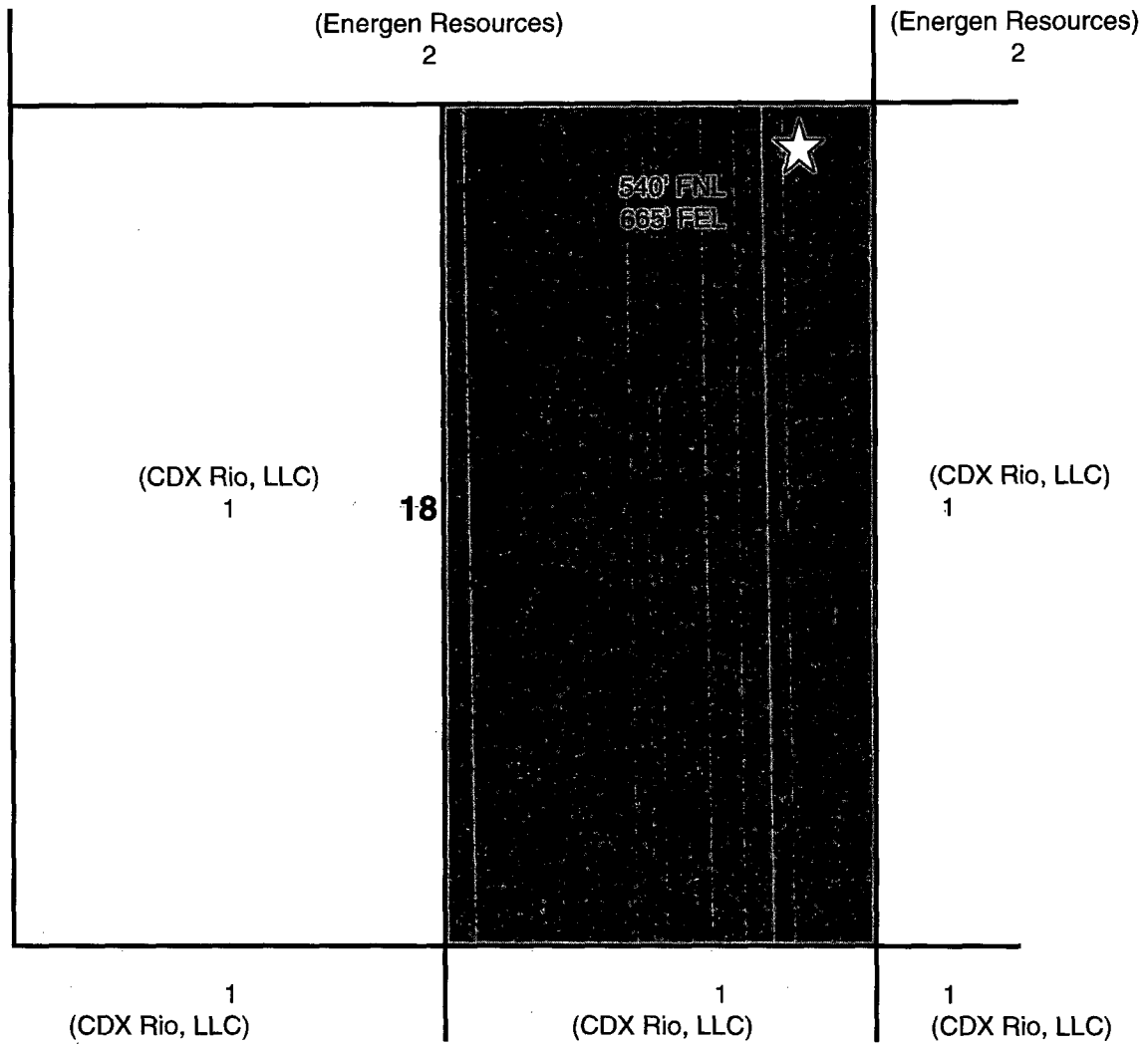


Richard Corcoran
Land Manager

RC/fd

Enclosures:

CDX Rio, LLC
Jicarilla A #2F
OFFSET OPERATOR \ OWNER PLAT
Mesaverde & Dakota Formation
E/2 Section 18 Township 26 North - Range 5 West
Rio Arriba County, NM



Tract 1 CDX Rio, LLC

Tract 2 Energen Resources

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

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-	² Pool Code 72319/71599	³ Pool Name Blanco Mesaverde/Basin Dakota
⁴ Property Code 33454	⁵ Property Name JICARILLA A	⁶ Well Number 2F
⁷ GRID No. 222374	⁸ Operator Name CDX RIO, LLC	⁹ Elevation 6997'

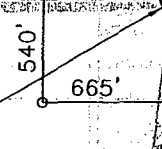
¹⁰ Surface Location

UL or lot no. A	Section 18	Township 26-N	Range 5-W	Lot Idn	Feet from the 540	North/South line NORTH	Feet from the 665	East/West line EAST	County RIO ARriba
--------------------	---------------	------------------	--------------	---------	----------------------	---------------------------	----------------------	------------------------	----------------------

¹¹ 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
¹² Dedicated Acres MV - E/320 DK - E/320		¹³ Joint or Infill Y		¹⁴ Consolidation Code		¹⁵ 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

¹⁶ FD. 3 1/4" BC. 1957 B.L.M.	S 89-31-39 W	5328.80' (C)		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
		CALC'D CORNER BY DBL. PROP.		Signature Richard Corcoran Printed Name Land Manager Title
				Date
				¹⁸ 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.
				Date of Survey
				Signature and Seal of Professional Surveyor
				Certificate Number

LAT. 36°29'34.5" N (NAD 83)
LONG. 107°23'39.2" W (NAD 83)

CALC'D CORNER
BY DBL. PROP.

JOHN A. YUKONICH
NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR
14831

107°25'00" W

107°24'00" W

WGS84 107°23'00" W

CDX RIO, LLC

JICARILLA A No. 2F

NE/4 SEC. 18, T26N, R5W, N.M.P.M.

RIO ARriba COUNTY, NEW MEXICO

540 FNL 665 FEL

3388 FEET NEW ACCESS

JICARILLA

PACHE

INDIAN

RESERVATION

EXISTING ACCESS

3388' NEW ACCESS

JICARILLA A No. 2F

LAT. 36.29.34.5 N (NAD 83)

LONG. 107.23.39.2 W (NAD 83)

36°31'00" N

36°31'00" N

36°30'00" N

36°30'00" N

36°29'00" N

36°29'00" N

107°25'00" W

107°24'00" W

WGS84 107°23'00" W

0 1000 FEET 0 500 1000 METERS

Map created with TOPO!® ©2002 National Geographic (www.nationalgeographic.com/topo)

CMD :
OG5SECT

ONGARD

INQUIRE LAND BY SECTION

05/22/06 10:39:20
OGOMES -TQFI
PAGE NO: 1

Sec : 18 Twp : 26N Rng : 05W Section Type : NORMAL

1 39.80 Indian owned	C 40.00 Indian owned	B 40.00 Indian owned A	A 40.00 Indian owned A
2 39.80 Indian owned	F 40.00 Indian owned A A	G 40.00 Indian owned	H 40.00 Indian owned A
3 39.80 Indian owned A	K 40.00 Indian owned	J 40.00 Indian owned	I 40.00 Indian owned
4 39.80 Indian owned A	N 40.00 Indian owned	O 40.00 Indian owned C A	P 40.00 Indian owned A

VICINITY MAP

CDX RIO, LLC

Jicarilla A 2F

540' FNL & 665' FEL

Sec 18, T26N, R5W, NMPM

Rio Arriba County, New Mexico

Elevation: 6997' UGL

Scale: 1" ~ 2000'

Neeley Consulting Service, LLC

