

PMESD-421758361

Susp. 7/13/04



CDX Gas, LLC  
4801 N. Butler Avenue, Suite 2000  
Farmington, NM 87401  
Main: 505-326-3003  
Fax: 505-325-4007

RECEIVED

JUN 23 2004  
OIL CONSERVATION  
DIVISION

June 18, 2004

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 B #7F  
1305' FNL & 780' FWL  
SECTION 16-T26N-T5W  
RIO ARRIBA COUNTY, NEW MEXICO

Dear Mr. Stogner:

CDX Rio, LLC submitted the captioned application on June 16, 2004 and inadvertently did not include the "Administrative Application Checklist". Attached is an Administrative Application Checklist for the subject well.

Please excuse this over sight and should you have any questions please call me at (505) 326-3003 Ext. 2817.

Sincerely,

*Richard Corcoran*  
Richard Corcoran,  
Land Manager

RC/kaa  
attachment

*- talked w/ Richard Corcoran @ 1:00 pm on 8-3-2004. this application was not to be heard. - will fax a copy*

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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MOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**

- Engineering Bureau -

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



Jicarilla B #7F

**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]
- [X] 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 6-16-04

Print or Type Name Signature Title Date

Rich.Corcoran@cdxgas.com  
e-mail Address



CDX GAS, LLC  
 4801 N. Butler Avenue, Suite 2000  
 Farmington, NM 87401  
 Main: (505) 326-3003  
 Fax: (505) 325-4007

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FACSIMILE TRANSMITTAL SHEET

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TO: <u>MICHAEL STOGNER</u>	FROM: <u>RICH CORCORAN</u>
COMPANY: <u>NM OGD</u>	DATE: <u>8-3-04</u>
FAX NUMBER: <u>505-476-3462</u>	TOTAL NO. OF PAGES INCLUDING COVER: <u>9</u>
PHONE NUMBER:	SENDER'S REFERENCE NUMBER:
RE:	YOUR REFERENCE NUMBER:

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URGENT    FOR REVIEW    PLEASE COMMENT    PLEASE REPLY    PLEASE RECYCLE

NOTES/COMMENTS: MR. STOGNER: ATTACHED IS A COPY OF OUR REQUEST FOR ADMINISTRATIVE APPROVAL OF AN UNORTHODOX LOCATION OF CDX'S PROPOSED JICARILLA B#7F TAPICITO GALLUP / BASIN DAKOTA Well.

CDX IS THE OPERATOR OF JICARILLA LEASE 109 COVERING 75% OF ALL RIGHTS BELOW THE BASE OF THE PICTURED CLIFFS IN SECTIONS 15, 16, 31 & 22. CDX ALSO OPERATES JIC LEASE 110 COVERING 75% OF ALL RIGHTS BELOW THE BASE OF THE P.C. AND SECTIONS 17, 18, 19 & 20. FURTHER CDX OPERATES JIC LEASE # 151 COVERING 100% OF ALL RIGHTS FROM THE BASE OF THE MESA VERDE DOWN TO 600' BELOW THE TOP OF THE GREENHORN IN SECTIONS 3, 4, 9 & 10.

THANK YOU FOR YOUR HELP WITH THIS REQUEST.

*(Richard Corcoran)*

3:05 PM 8-4-2004

Talked w/ Corcoran. Both Jic. leases 109 and 110 have identical ownerships (75% CDX and 25% Conoco). Well No. 7 is an oil well.

MOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



Jicarilla B #7F

**ADMINISTRATIVE APPLICATION CHECKLIST**

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 WFX  PMX  SWD  IPI  EOR  PPR
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  - [B]  Offset Operators, Leaseholders or Surface Owner
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  - [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
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Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

<u>Richard Corcoran</u>		<u>Land Manager</u>	<u>6-16-04</u>
Print or Type Name	Signature	Title	Date
		<u>Rich.Corcoran@cdxgas.com</u>	
		e-mail Address	



CDX Gas, LLC  
4801 N. Butler Avenue, Suite 2000  
Farmington, NM 87401  
Main: 505-326-3003  
Fax: 505-325-4007

June 16, 2004

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 B #7F  
1,305' FNL & 780' FWL  
SECTION 16-T26N-R5W  
RIO ARRIBA COUNTY, NEW MEXICO

Dear Mr. Stogner:

CDX Rio, LLC hereby requests Administrative Approval for an Unorthodox Location of its proposed Jicarilla B #7F Tapacito Gallup/ Basin Dakota well under the provisions of New Mexico Oil Conservation Division (NMOCD) Order R-3211 (Tapacito Gallup), and R-10987-A (Basin Dakota).

The proposed well is to be located 1,305' FNL & 780' FWL of Section 16-T26N-R5W, Rio Arriba County, New Mexico and dedicated to a standard 320 acre gas spacing unit consisting of the N<sup>2</sup> of said Section 16, for the Basin Dakota pool and a standard 80 acre oil spacing unit consisting of the W2NW4 of Section 16 for the Tapacito Gallup pool.

The proposed well is at a standard location for the Basin Dakota but is closer than 330' to the interior quarter/quarter line, causing a non-standard location for the Tapacito Gallup pool. The well is proposed at this unorthodox location as it is in a box canyon and the terrain at a standard location is canyon walls. (See attached map)

The proposed well would be the third Dakota and the second Mesa Verde and Gallup wells in the N/2 of Section 16-T26N-R5W.

The Jicarilla B #7F (API #30-039-08096) located 1,850' FNL and 1,150' FEL of Section 16-T26N-R5W, was drilled to a total depth of 7,668', completed in the Gallup and Dakota on September 1, 1967, and Mesa Verde formation on January 19, 1995, and has cumulatively produced 2,056,794 MCFG through December of 2003. The Jicarilla B #7E (API #30-039-22895) located 810' FNL and 1,850' FEL of Section 16-T26N-R5W, was drilled to a total depth of 7,640', completed in the Chacra and Dakota formations on June 4, 1982 and has produced 1,051,814 MCFG through December of 2003.

A copy of this application is being submitted to all offsetting operators by certified mail with a request that they furnish your office in Santa Fe with a waiver of objection.

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,

Richard Corcoran  
Land Manager

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

*API Number		*Pool Code		*Pool Name <b>TAPACITO GALLUP - BASIN DAKOTA</b>	
*Property Code		*Property Name <b>JICARILLA B</b>		*Well Number <b>7F</b>	
*OGRM No. <b>222374</b>		*Operator Name <b>CDX RIO, LLC</b>		*Elevation <b>6600'</b>	

<sup>10</sup> Surface Location

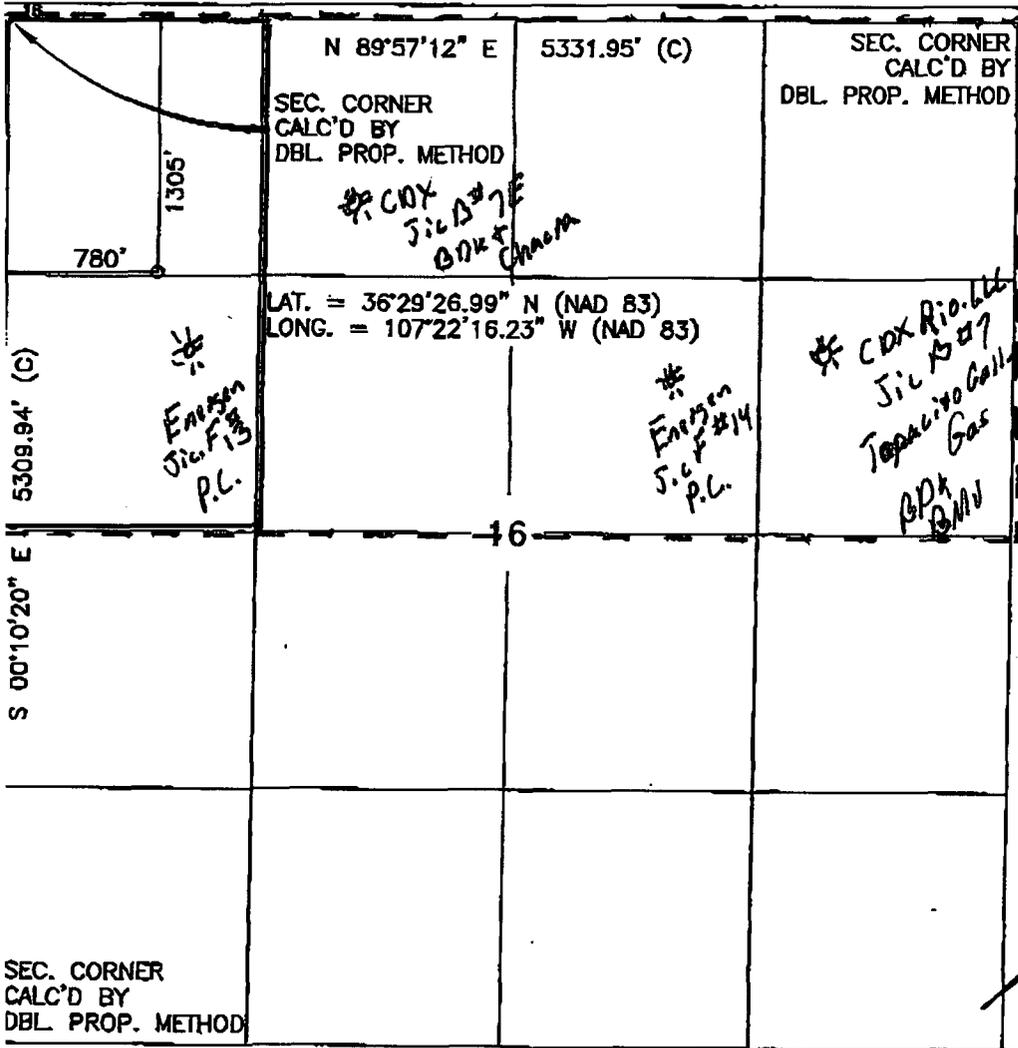
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	26-N	5-W		1305	NORTH	780	WEST	RIO ARRIBA

<sup>11</sup> 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
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*Dedicated Acres <b>80 - GALLUP 320 - DAKOTA</b>		*Joint or Infill	*Consolidation Code	*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



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Richard Corcoran*  
Signature

**RICHARD CORCORAN**  
Printed Name

**LAND MANAGER**  
Title

**6-16-04**  
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.

**JOHN A. WUKONICH**  
NEW MEXICO  
REGISTERED PROFESSIONAL SURVEYOR  
14831  
Date of Survey  
Signature and Title of Surveyor  
17-04  
Certificate Number



107°23'00" W

107°22'00" W

WGS84 107°21'00" W

36°31'00" N

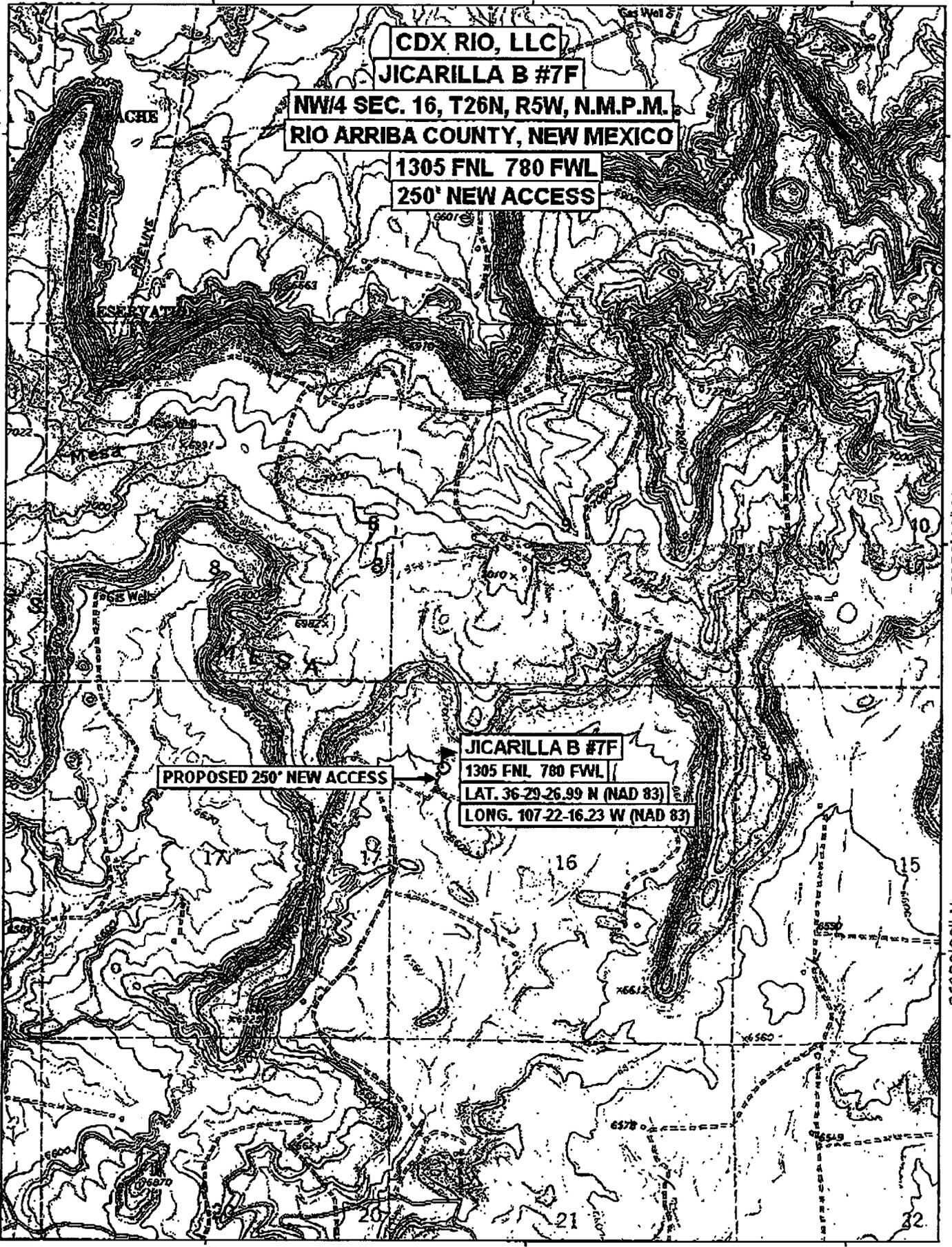
36°31'00" N

36°30'00" N

36°30'00" N

36°29'00" N

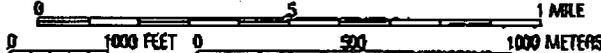
36°29'00" N



107°23'00" W

107°22'00" W

WGS84 107°21'00" W



Map created with TOPOI © 2002 National Geographic (www.nationalgeographic.com/topo)



CDX Gas, LLC  
4801 N. Butler Avenue, Suite 2000  
Farmington, NM 87401  
Main: 505-326-3003  
Fax: 505-325-4007

June 16, 2004

*Certified Mail*  
7004 0750 0003 4800 7511

Energen Resources Corp.  
Attention: Dave Poage  
2198 Bloomfield Highway  
Farmington, NM 87401

RE: ADMINISTRATIVE APPROVAL OF UNORTHODOX LOCATION  
JICARILLA B #7F  
1,305' FNL & 780' FWL  
SECTION 16-T26N-R5W  
RIO ARRIBA COUNTY, NEW MEXICO

Dear Interest Owner:

CDX Gas, LLC has filed with the New Mexico Oil Conservation Division (NMOCD), an application for the Administrative Approval of an Unorthodox Location for its Jicarilla B #7F well. A copy of the application has been attached for your review.

If you have no objection to this unorthodox location, please sign three copies of the attached waiver, return one executed copy to the NMOCD at 1220 South Saint Frances Drive in Santa Fe, New Mexico 87505, one copy to our office and retain one copy for your files.

Your cooperation in this matter is appreciated.

Sincerely,

Richard P. Corcoran  
Land Manager

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WAIVER

\_\_\_\_\_ hereby waives objection to the above referenced Application for Unorthodox Location for CDX Gas, LLC's Jicarilla B #7F well.

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

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> <li>■ Complete items 1, 2, and 3. Also complete Item 4 if Restricted Delivery is desired.</li> <li>■ Print your name and address on the reverse so that we can return the card to you.</li> <li>■ Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>X <i>Cindy Taylor</i></p>	
<p>1. Article Addressed to:</p> <p>Mr. Dave Poage Energen Resources Corp. 2198 Bloomfield Hwy Farmington, nm 87401</p>	<p>B. Received by (Printed Name)</p> <p><i>Cindy Taylor</i></p>	<p>C. Date of Delivery</p> <p><i>6/17</i></p>
	<p>D. Is delivery address different from Item 1? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If YES, enter delivery address below: <input type="checkbox"/> No</p>	
<p>2. Article Number (Transfer from service label)</p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input checked="" type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p>	
	<p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	
	<p>7004 0750 0003 4800 7511</p>	
PS Form 3811, February 2004	Domestic Return Receipt	7102595-02 (4-18-04)

UNITED STATES POSTAL SERVICE

RECEIVED  
AUG 3 2004

First-Class Mail  
Postage & Fees Paid  
USPS  
Permit No. G-10

• Sender: Please print your name, address, and ZIP+4 in this box •

Mr. Richard Corcoran  
CDX Gas, LLC  
4801 N. Butler Ave, Suite 2000  
Farmington, NM 87401  
Re: Job # 15

Note to File:



State of New Mexico  
OIL CONSERVATION COMMISSION

From

MICHAEL E. STOBNER  
PETROLEUM ENGINEER

# Memo

To

1) 7-29-2004 (8:20AM)

Richard Ezeanyin asked about this and two other CDX applications.

2) 8-3-2004 (10:45AM)

Richard Ezeanyin again asked about this and the two other CDX applications; CDX has been calling.

3) 8-3-2004 (11:05AM)

- callal Richard Corcoran @ 505-326-3003

P.O. BOX 2088  
LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
505-827-5811

- left message for him to call about incomplete applications.