

DATE IN 5/16/02	SUSPENSE 6/5/02	ENGINEER MS	LOGGED KW	TYPE NSL
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213735032

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

San Juan 30-4 Unit #103 Well

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [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]

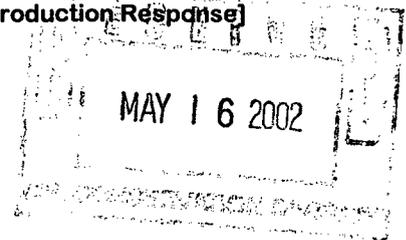
[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
- NSL NSP DD SD

Check One Only for [B] and [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



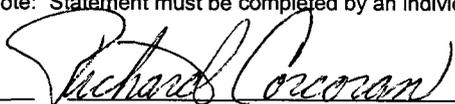
[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] 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] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Richard P. Corcoran		District Landman	5-14-02
Print or Type Name	Signature	Title	Date

ENERGEN
R E S O U R C E S

May 14, 2002

Michael E. Stogner
New Mexico Oil Conservation Division
1220 South Saint Frances Drive
Santa Fe, NM 87505

RE: ADMINISTRATIVE APPROVAL OF UNORTHODOX
AND NON-STANDARD PRORATION UNIT
SAN JUAN 30-4 UNIT #103 WELL
1,310' FSL & 1,690' FWL
SECTION 18-T30N-R4W
RIO ARRIBA COUNTY, NEW MEXICO
BASIN FRUITLAND COAL

Dear Mr. Stogner:

Energen Resources Corporation requests administrative approval of an unorthodox location and non-standard proration unit for its San Juan 30-4 Unit #103 well under the provisions of NMOCD R-8768-B.

The proposed well is to be located 1,310' FSL & 1,690' FWL of Section 18-T30N-R4W, Rio Arriba County, New Mexico and dedicated to a non-standard gas spacing unit consisting of the W/2 of said section 18, in the Basin Fruitland Coal gas pool.

All of section 18-T30N-R4W is dedicated to the San Juan 30-4 Unit (approved by the NMOCD), which provides in part that wells drilled to the Mesaverde and shallower formations shall be dedicated to E/2 or W/2 drilling blocks. Section 18 is irregular in size (being 1808.4' wide) with the W/2 being made up of Lot 1 (NW NW) 14.73 acres, Lot 2 (SW NW) 14.75 acres, Lot 3 (NW SW) 14.77 acres, Lot 4 (SW SW) 14.79 acres, and E/2 W/2 totaling 219.04 acres which is less than 70% of 320 acres ($219.04/320=68.45\%$) as required in the Basin Fruitland Coal Pool Rule 5.

As pointed out in your letter dated February 18, 2002, (denying Energen's request for an off pattern Fruitland Coal location in the NW/4 of this Section 18) there is a well pad in unit letter "N" for the Energen operated San Juan 30-4 Unit #1 well. Due to extremely steep terrain at a legal location and to minimize disturbance to wildlife and vegetation we are requesting approval to locate our proposed well on an enlargement of the San Juan 30-4 Unit #1 well pad.

Energen Resources Corporation as operator of the San Juan 30-4 Unit intends to drill seven unit wells during the 2001 season (April 1 through November 1, 2001) and three (3) non unit wells within this area. (see plan of development enclosed)

A copy of this application is being submitted to offset 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, a topographic plat of the area and a map showing all offsetting operators.

Sincerely,



Richard Corcoran
District Landman

RC/ga

Enclosures

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised February 21, 1994

District II
PO Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

AMENDED REPORT

District IV
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 71629	³ Pool Name Basin Fruitland Coal
⁴ Property Code	⁵ Property Name SAN JUAN 30-4 UNIT		⁶ Well Number 103
⁷ OGRID No. 162928	⁸ Operator Name ENERGEN RESOURCES CORPORATION		⁹ Elevation 7407'

¹⁰ Surface Location

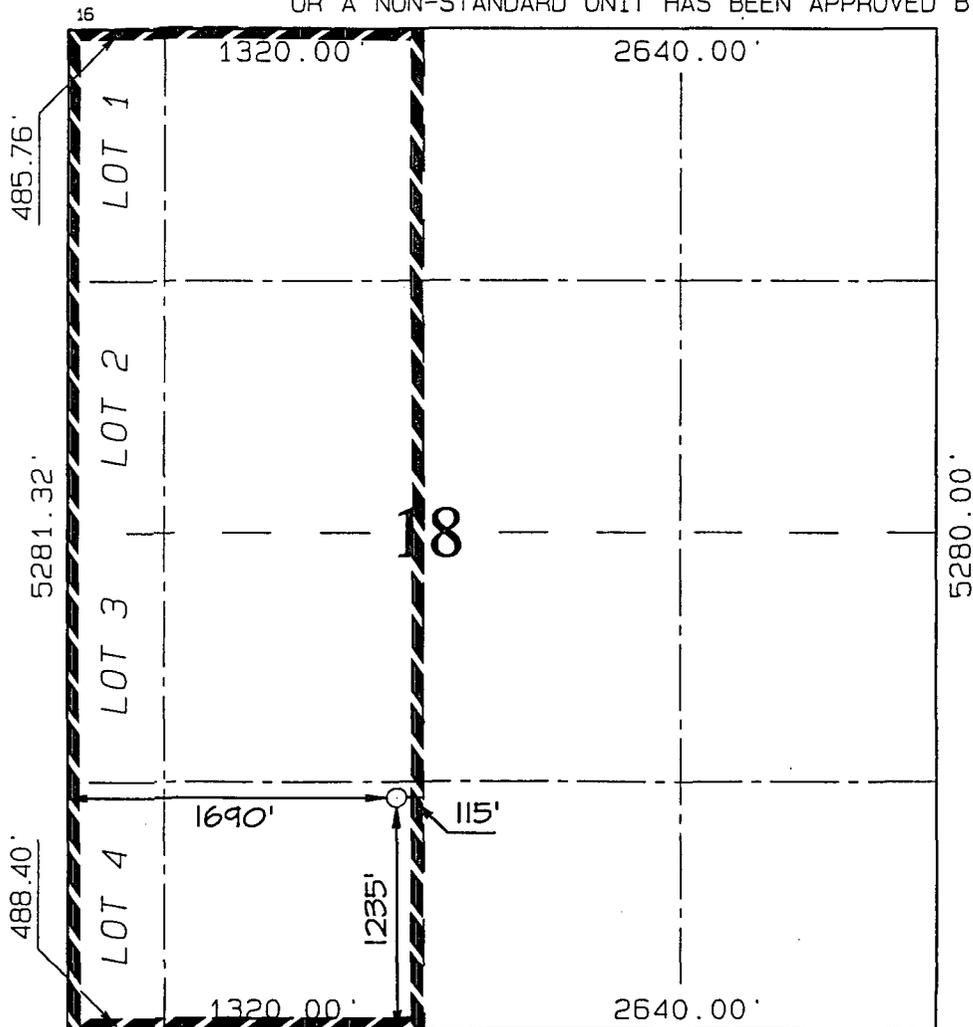
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	18	30N	4W		1235	SOUTH	1690	WEST	RIO ARRIBA

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	¹³ Joint or Infill	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



¹⁷ OPERATOR CERTIFICATION

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

Don Graham
Signature
Don Graham
Printed Name
Production Superintendent
Title
5-14-02
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: MARCH 5, 2002

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269



March 20, 2002

Bureau of Land Management (3)
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

New Mexico Commissioner of Public Lands (2)
P. O. Box 1148
Santa Fe, New Mexico 87501-1148

New Mexico Oil Conservation Division (2)
Energy & Minerals Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: SAN JUAN 30-4 UNIT, #14-08-001-1056
2002 PLAN OF DEVELOPMENT
RIO ARRIBA COUNTY, NEW MEXICO

Gentlemen:

By letter dated January 30, 2001, the Plan of Development (POD) for the calendar year 2001 was filed. This POD provided for the drilling of the following wells during 2001:

<u>Well Name</u>	<u>Location</u>	<u>Formation</u>
San Juan 30-4 Unit #42B	Section 19, 660' FNL & 1770' FEL	Mesaverde
San Juan 30-4 Unit #33B	Section 31, 1725' FNL & 1710' FWL	Mesaverde
San Juan 30-4 Unit #49	Section 9, 1205' FNL & 905' FWL	Pictured Cliffs
San Juan 30-4 Unit #50	Section 22, 2360' FSL & 345' FWL	Pictured Cliffs
San Juan 30-4 Unit #51	Section 27, 1310' FSL & 1745' FEL	Pictured Cliffs

The San Juan 30-4 Unit #42B and #49 wells were drilled, completed and are now producing. The San Juan 30-4 Unit #33B, #50 and #51 wells are being repropoed as new wells on this years program.

During 2001 the following activities took place on existing wells:

<u>Well Name</u>	<u>Location</u>	<u>Activity</u>
San Juan 30-4 Unit NP #13	SE/4 Section 15, T30N, R4W	P & A
San Juan 30-4 Unit #42	NE/4 Section 19, T30N, R4W	Pictured Cliffs Pay Add
San Juan 30-4 Unit #41M	SE/4 Section 18, T30N, R4W	Pictured Cliffs Pay Add

The following Participating Areas currently exist in the unit:

<u>Formation</u>	<u>Expansion</u>	<u>Effective Date</u>
Pictured Cliffs	12 th	1/1/74
Mesaverde	1 st	8/1/60
Mesaverde "A"	1 st	2/1/99

The Mesaverde PA "A" second, third and fourth expansions will be submitted shortly.

As of this date, the total number of wells in the San Juan 30-4 Unit area as follows:

Pictured, Cliffs, Commercial	19
Pictured Cliffs, Non Commercial	3
Pictured Cliffs, Plugged & Abandoned	12
Mesaverde, Commercial	9
Dakota, Commercial	<u>0</u>
Total	43

Pursuant to Section 10 of the San Juan 30-4 Unit Agreement, Energen Resources Corporation, as operator, hereby submits a Plan of Development providing for the drilling of the following wells during the calendar year 2002:

<u>Well Name</u>	<u>Location</u>	<u>Formation</u>
San Juan 30-4 Unit #102	Section 18, 1450' FNL & 710' FWL	Fruitland Coal
San Juan 30-4 Unit #33B	Section 31, 1725' FNL & 1710' FWL	Mesaverde
San Juan 30-4 Unit #34R	Section 16, 1755' FNL & 1655' FWL	Pictured Cliffs
San Juan 30-4 Unit #50	Section 22, 2360' FSL & 345' FWL	Pictured Cliffs
San Juan 30-4 Unit #51	Section 27, 1310' FSL & 1745' FEL	Pictured Cliffs
San Juan 30-4 Unit #44B	Section 20, 1040' FNL & 2460' FWL	Mesaverde

The Working Interest Owners are being contacted regarding the 2002 Plan of Development.

Energen Resources Corporation, as Unit Operator, plans to drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary or desirable by the Unit Operator and the Working Interest owners.

In accordance with Section 10 of the Unit Agreement, please advise of your approval by executing in the space provided below and returning a copy to the undersigned.

Please contact Richard P. Corcoran at (505) 325-6800 if there are any questions regarding this letter.

Copies of the letter are being sent to the Working Interest Owners shown on the attached sheet.

Very truly yours,



Richard P. Corcoran
District Landman

San Juan 30-4 Unit
#14-08-001-1056
2002 Plan of Development
Rio Arriba County, New Mexico

SAN JUAN 30-4 UNIT 2001 PLAN OF DEVELOPMENT

APPROVED: _____
Bureau of Land Management

DATE: _____

APPROVED: _____
Oil Conservation Division

DATE: _____

APPROVED: N/A FOR INFORMATION ONLY
COMMISSIONER OF PUBLIC LANDS

DATE: _____

San Juan 30-4 Unit
#14-08-001-1056
2002 Plan of Development
Rio Arriba County, New Mexico

JEBCO

Attn: Debbie Coughlin
c/o Nations Bank of Texas, N.A.
P.O. Box 2546
Fort Worth, Texas 76113-2546

H.O. Pool Trust
Wells Fargo Bank (Colorado)
P.O. Box 5825
Denver, Colorado 80217-5825

Thelma Pool Trust
Wells Fargo Bank (Colorado)
Trust Natl. Resources #4931-211
P.O. Box 5825
Denver, Colorado 80217-5825

James M. Raymond
P.O. Box 291445
Kerrville, Texas 78029-1445

Charles W. Gay
P.O. Box 291445
Kerrville, Texas 78029-1445

Lorrayne Gay Hacker
P.O. Box 291445
Kerrville, Texas 78029-1445

Maydell Miller Mast Trust
P.O. Box 291445
Kerrville, Texas 78029-1445

Providence Minerals LLC
Attn: Karen Herbst
14860 Montfort Drive
Suite 209
Dallas, TX 75240

MAR Oil & Gas
P.O. Box 5155
Santa Fe, New Mexico 87502

Burlington Resources
P.O. Box 4289
Farmington, New Mexico 87499

San Juan 30-4 Unit
#14-08-001-1056
2002 Plan of Development
Rio Arriba County, New Mexico

Thomas P. Tinnin
Attn: Mr. Tinnin
2303 Candelaria Road, NW
Albuquerque, NM 87107

The Tinmil, A New Mexico
Ltd. Liability Company
c/o Mr. Robert P. Tinnin, Jr.
Hinkle, Hensley, Shanor and Martin, LLP
500 Marquette, NW, Suite 800
Albuquerque, NM 87102

Ruth Zimmerman
Attn: Hazel Hart
842 Muirlands Vista Way
La Jolla, California 92037

T. H. McElvain Oil & Gas
Attn: Mona Binion
1050 17th Street, Suite 710
Denver, CO 80265

Dugan Production Corp.
P.O. Box 420
Farmington, New Mexico 87499

Trust U/W/O Algernon W. Brown
Chase Bank of Texas, N.A.
P.O. Box 2558
Houston, TX 77252-8033

Trust U/W/O Evelyn G. Brown
Chase Bank of Texas, N.A.
P.O. Box 2558
Houston, TX 77252-8033

Energen Resources Corporation
2198 Bloomfield Highway
Farmington, New Mexico 87401

May 14, 2002

Phillips Petroleum Company
Attn: Jim Ball
5525 Highway 64
Farmington, NM 87401

RE: ADMINISTRATIVE APPROVAL OF UNORTHODOX LOCATION
AND NON-STANDARD PRORATION UNIT
SAN JUAN 30-4 UNIT #103 WELL
SECTION 18-T30N-R4W
RIO ARRIBA COUNTY, NEW MEXICO
MESAVERDE/DAKOTA

Dear Mr. Ball:

Energen Resources Corporation (Energen) has filed with the New Mexico Oil Conservation Division (NMOCD), an Application for the Administrative Approval of an Unorthodox Location, for its San Juan 30-4 Unit #103 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 in Santa Fe, New Mexico, one copy to our office and retain one copy for your files.

Your assistance and cooperation in this matter are appreciated.

Sincerely,



Richard P. Corcoran
District Landman

RC/ga

WAIVER

PHILLIPS PETROLEUM COMPANY hereby waives objection to the above referenced Application for Unorthodox Location and non-standard proration unit for Energen Resources Corporation's San Juan 30-4 Unit #103 well.

Date: June 3, 2002

By: _____



JIM BALL
SR. LAND SPECIALIST
SAN JUAN AREA

cc: OCD-Aztec office, BLM-Farmington office, Offset Operators