



New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

John H. Bemis
Cabinet Secretary-Designate

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Deputy Cabinet Secretary

Jami Bailey
Division Director
Oil Conservation Division



October 3, 2011

Energen Resources Corporation
Attn: Mr. David M. Poage

Administrative Order SD-201136
Administrative Application Reference No. pTGW11-25550720

ADMINISTRATIVE SIMULTANEOUS DEDICATION ORDER

Operator: **Energen Resources Corporation**
OGRID: 162928

Subject Wells

Carracas 31 B Well No. 5 (existing vertical)

API No. 30-039-24417

1770 feet FNL & 830 feet FWL

Unit E, Section 31-32N-4W

Rio Arriba County, New Mexico

Carracas 31 B Well No. 12 H (new horizontal)

API No. 30-039-30823

Rio Arriba County, New Mexico

Surface location

994 feet FSL & 861 feet FEL (Unit P)

Section 30-32N-4W

Penetration Point

204 feet FNL & 2149 feet FWL (Unit C)

Section 31-32N-4W

Terminus

780 feet FSL & 2093 feet FWL (Unit N)

Section 31-32N-4W

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 31

300.96 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.

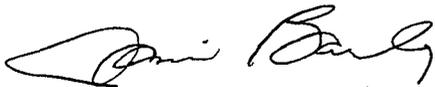
Your application has been duly filed under the provisions of Division Rules 15.11.C [19.15.15.11.C NMAC] and 4.12.A [19.15.4.12.A NMAC].

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 hereby 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