

DATE IN 9.12.11	SUSPENSE	ENGINEER DB	LOGGED 9.12.11	TYPE 112555/305
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PTG-W 2
ENERGEN
162928

ABOVE THIS LINE FOR DIVISION USE ONLY
NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

Quintana Mesa # 100R

ADMINISTRATIVE APPLICATION COVERSHEET

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

201140

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 [X] 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] [X] 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] **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.

David M. Poage		District Landman	9/09/11
Print or Type Name	Signature	Title	Date

September 9, 2011

Ms Jami Bailey
Division Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, NM 87505

RE: Application of Energen Resources Corporation for Administrative Approval of the Simultaneous Dedication of the West-Half of Section 28, Township 32 North, Range 5 West, N.M.P. M., Rio Arriba County, New Mexico to its existing Quintana Mesa # 100 Well and the Quintana Mesa # 100R Well.

Dear Ms. Bailey:

Energen Resources Corporation is the operator of a 320.00 acre spacing unit in the Basin Fruitland Coal Pool (**Pool Code 71629**) comprised of the west-half of Section 28, Township 32 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. This spacing unit is dedicated to Energen's Quintana Mesa # 100 which was vertically drilled and is capable of production from the Fruitland Coal formation.

Energen seeks administrative approval of the simultaneous dedication of this 320.00 acre spacing unit to the following two gas wells:

A. the **Quintana Mesa # 100 (API No. 30-039-24454)** vertically drilled from a surface location 2,360' FSL and 1,740' FWL of Section 28 and

B. the horizontally drilled **Quintana Mesa # 100R well (API No. 30-039-30552)** which was horizontally drilled from a surface location 1,995' FNL and 1,120' FWL of Section 33 to a bottom hole location 1,442' FNL and 1,120' FWL of Section 28. The entry point was at 910' FSL and 1,065' FWL of Section 28.

Neither well violates the existing set back requirements for these wells.

Attached hereto for each well is a copy of Division Form C-102 for these wells that show the surface and bottom-hole locations of each well. In addition also enclosed is a map of the offset operators of all offsetting spacing units. Energen Resources is the operator of all offsetting spacing units and owns 100% of the working interest in all offsetting spacing units with the exception of E/2 of Section 28 and W/2 of Section 21. Both of these tracts are unleased minerals owned by the Bureau of Land Management.

Energen has mailed, via USPS Certified Mail, Notice to the Affected Parties that this application has been submitted. A copy of the Notice to the Affected Parties is also attached.

The simultaneous dedication of the West-half of said Section 28 to the Quintana Mesa # 100 and the Quintana Mesa # 100R wells will afford Energen the opportunity to efficiently produce the Fruitland Coal formation under this spacing unit. Energen's proposed simultaneous dedication of these wells does not exceed the number of wells allowed by division Rule for this spacing unit.

Your attention to this application is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "David M. Poage", with a long horizontal flourish extending to the right.

David M. Poage
District Landman
Energen Resources Corporation

Enclosures

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

State of New Mexico
Department of Energy, Minerals and Natural Resources

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

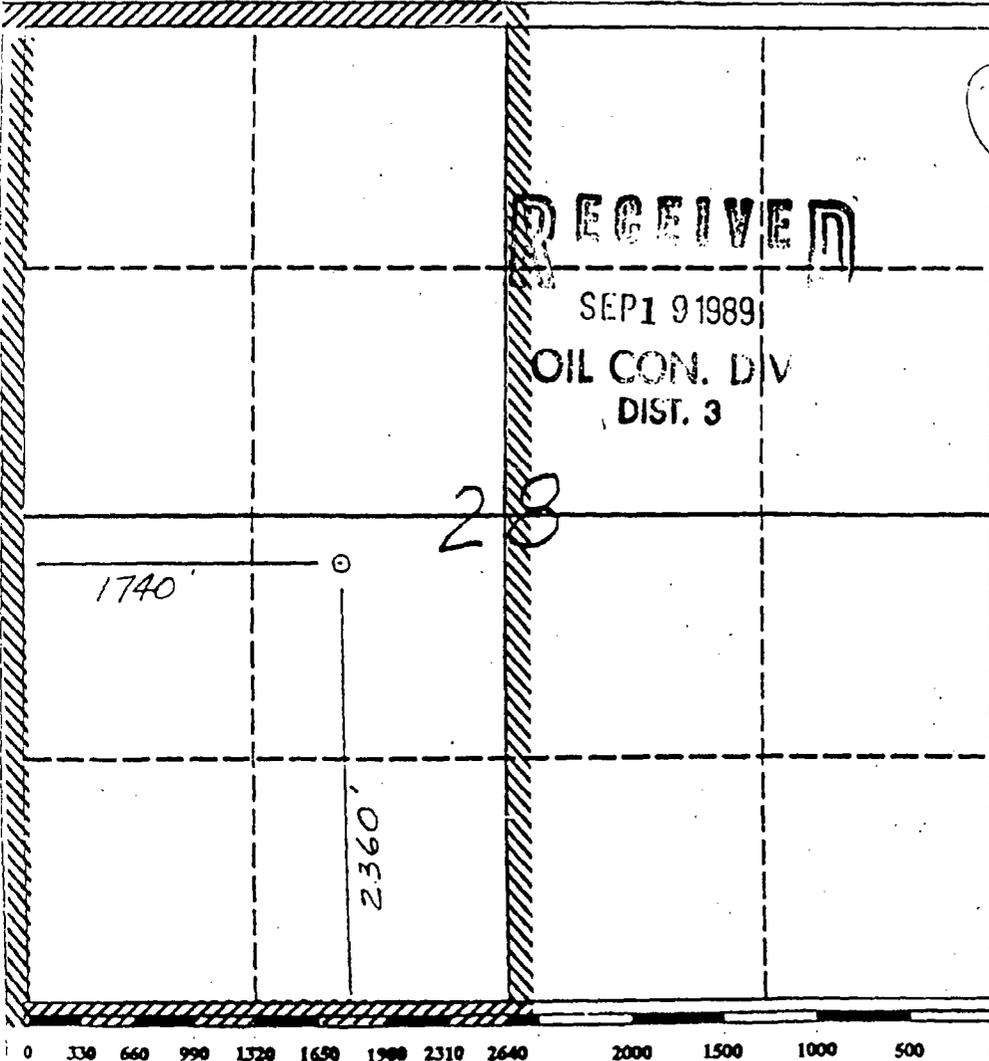
DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

WELL LOCATION AND ACREAGE DEDICATION PLAT
All Distances must be from the outer boundaries of the section

Operator Meridian Oil Inc.		Lease Quintana Mesa Com		Well No. 100
Unit Letter K	Section 28	Township 32 North	Range 5 West	County NMPM Rio Arriba
Actual Footage Location of Well: 2360 feet from the South line and 1740 feet from the West line				
Ground level Elev. 7160	Producing Formation Fruitland Coal	Pool Basin	Dedicated Acreage: 320 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
 Yes No If answer is "yes" type of consolidation communitization agreement NM-80045
 If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)
 No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
 Signature: Peggy Bradfield
 Printed Name: Peggy Bradfield
 Position: Regulatory Affairs
 Company: Meridian Oil Inc.
 Date: 9-15-89

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 knowledge and belief.
 Date Surveyed: 3-29-89
 Signature: Neale V. Edwards
 Signature & Seal of Professional Surveyor
 Certificate No. 6857





CERTIFIED MAIL –RECEIPT REQUESTED

September 9, 2011

AFFECTED INTEREST OWNERS

RE: Application of Energen Resources Corporation for simultaneous dedication, Rio Arriba County, New Mexico.

Ladies and Gentlemen:

This letter is to advise you that Energen Resources Corporation has filed the enclosed application with the New Mexico Oil Conservation Division seeking the simultaneous dedication of the Quintana Mesa # 100 and Quintan Mesa # 100R to the West-half of Section 28-Township 32 North, Range 5 West., NMPM, Rio Arriba County, New Mexico.

As the owner of an interest that may be affected by the proposed well, you may object to this application. Objections must be filed in writing within twenty days from this date at the Division's Santa Fe office that is located at 1220 South Saint Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application for a simultaneous dedication may be approved.

Very Truly Yours,

A handwritten signature in black ink, appearing to read "David M. Poage".

David M. Poage
District Landman
Energen Resources Corporation

Bureau of Land Management
1235 La Plata Hwy
Farmington, NM 87401