

DATE IN 4/20/06	SUSPENSE 5-10-2006	ENGINEER MIKE STOGNER	LOGGED 4/20/06	TYPE NSL
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

P TDS 0611030815

Jicarilla 98 #2C

ADMINISTRATIVE APPLICATION COVERSHEET

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

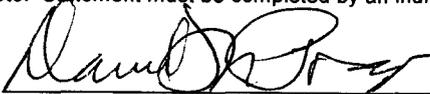
Application Acronyms:

- [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] 2006 APR 20 AM 8:21
- [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.

David M. Poage  District Landman 4/17/06
 Print or Type Name Signature Title Date

April 16, 2006

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

RE: Administrative approval of Unorthodox Location
Jicarilla 98 # 2C
1800' FNL & 2120' FEL
Section 19, T26S, R03E
Rio Arriba County, New Mexico

30-039-29297

Dear Mr. Stogner:

Energren Resources Corporation (Energren) hereby requests Administrative Approval for an Unorthodox Location of its Jicarilla 98 # 2C Mesaverde well under the Provisions of New Mexico Oil Conservation Division (NMOCD) order R-10987-A.

This well is located 1800' FNL & 2120' FEL of Section 19-T26N-R3W, Rio Arriba County, New Mexico and dedicated to a spacing unit consisting of the E/2 of Section 19, in the Blanco Mesaverde gas pool.

This well is closer then 660' to the Western Boundary of the prorating unit due to the fact that a standard location would be in the middle of the wash and in order to cross the wash to the east, it would be too close to the existing Jicarilla 98 # 2, a Mesaverde completion.

A copy of this application is being sent to all affected owners by certified mail- return receipt request with a request that they furnish your office in Santa Fe a Waiver of Objection within twenty (20) days of receipt of this application.

Attached is a well location plat showing dedicated acreage (C102), a plat showing the offsetting spacing units and Fruitland Coal wells, and a topographic map.

Your favorable consideration of this request would be appreciated.

Sincerely,



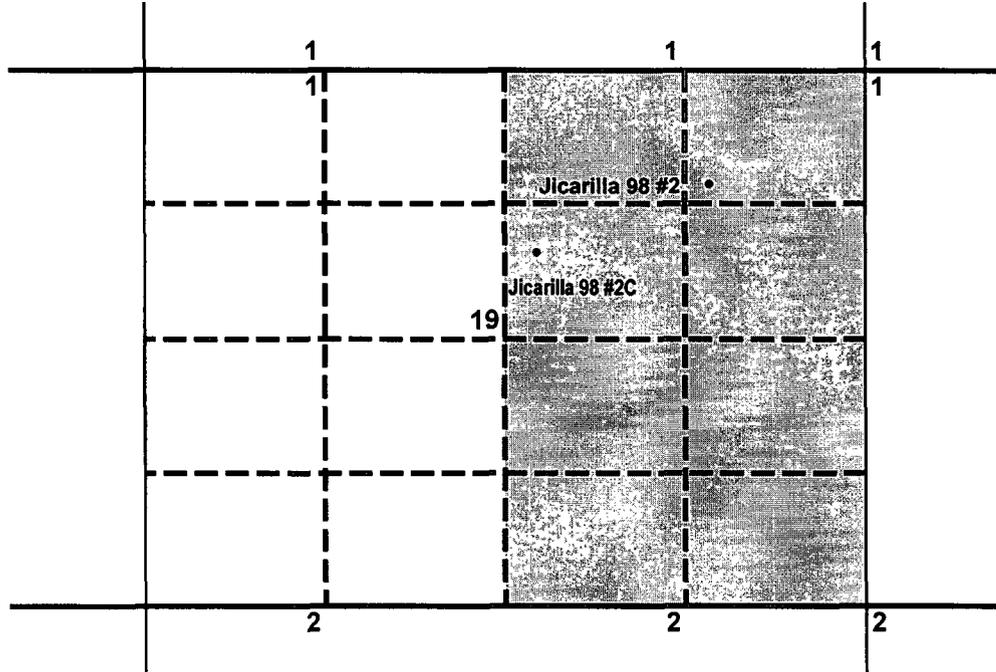
David M. Poage
District Landman

*Tuesday, May 16, 2006 (10:57am)
Received a voice mail
message from
David Poage checking on
the status of this
application*

Energen Resources Corporation

Jicarilla 98 #2C
Offset Operator/Ownership Plat
Blanco Mesaverde

Township 26 North, Range 3 West



- 1) Energen Resources Corporation
- 2) ConocoPhillips Company
5525 Highway 64
Farmington, NM 87401

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

*API Number 30-039-29297		*Pool Code 72319	*Pool Name BLANCO MESAVERDE
*Property Code 21940	*Property Name JICARILLA 98		*Well Number 2C
*OGRID No. 162928	*Operator Name ENERGEN RESOURCES CORPORATION		*Elevation 7006'

¹⁰ Surface Location

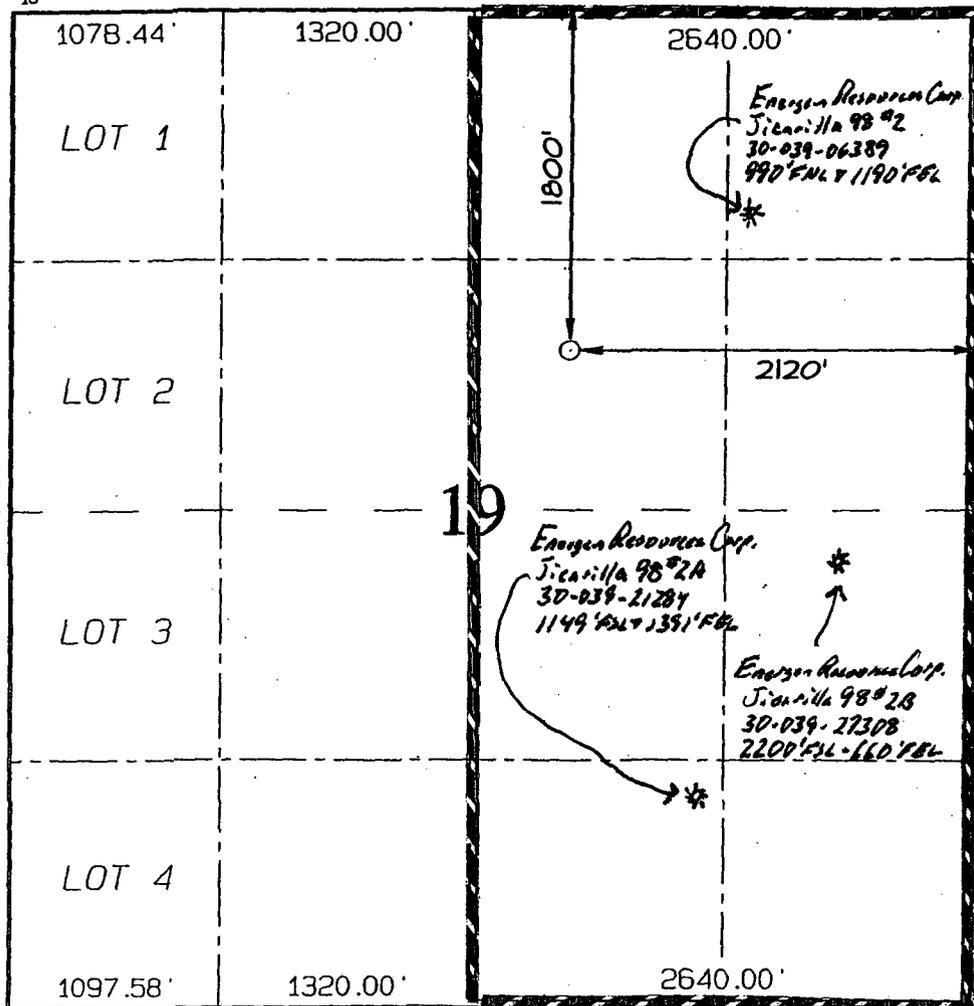
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	19	26N	3W		1800	NORTH	2120	EAST	RIO ARRIBA

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 320.0 Acres - (E/2)	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

¹⁶



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

12-16-03
Date

¹⁸ SURVEYOR CERTIFICATION

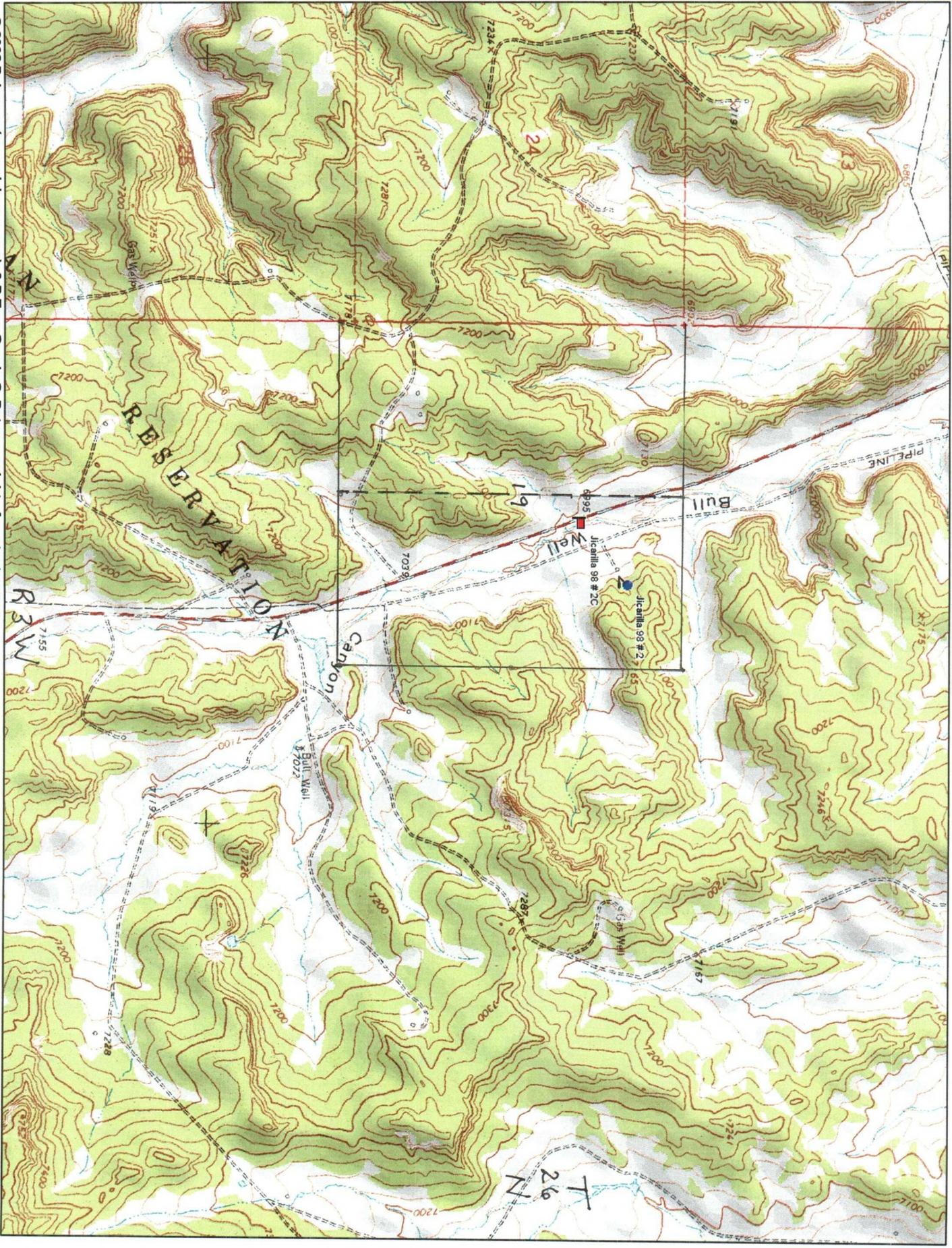
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: AUGUST 27, 2003

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269



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Scale: 1 : 25,000 Map Rotation: 0° Magnetic Declination: 0.0°E