

3/5/99	3/25/99	MS	KV	NSL
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

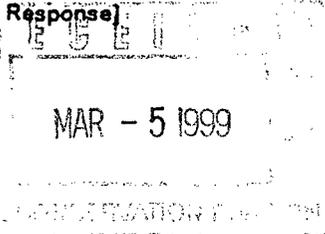
- Engineering Bureau -

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] 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

[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 further verify that all applicable API Numbers are included. 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 CORCORAN
Print or Type Name

Richard Corcoran
Signature

DISTRICT LANDMAN
Title

3-4-99
Date



March 4, 1999

Mr. Michael E. Stogner
New Mexico Oil Conservation Division
2040 South Pacheco Street
Santa Fe, NM 87505

RE: Administrative Approval of Unorthodox Location
San Juan 32-5 Unit #8R Well - Amended Location
2,075' FNL and 145' FEL, Section 27, T32N-R6W
Mesa Verde/Dakota Commingle
Rio Arriba County, New Mexico

Dear Mr. Stogner:

Reference is made to our application dated October 21, 1998 approved by your office November 16, 1998 as Administrative Order NSL-293-A, allowing for an exception to location requirements of the Blanco Mesa Verde and the Basin Dakota pools as set out by Division Order R-10987. Order NSL-293-A provided for the San Juan 32-5 Unit #8R well to be drilled at an unorthodox location, 920' FNL and 775' FEL of Section 27, T32N-R6W, Rio Arriba County, New Mexico (copy enclosed).

Due to geologic conditions and environmental impact, we need to request a new location. The previously requested location was the site of the San Juan 32-5 Unit #15A (Dakota), and the #8 well (Mesa Verde). The primary objective of our proposed well is the Point Lookout Sandstone which is poorly developed, at the approved location, as is evidenced by the attached Isopac maps A, B, C and Mesa Verde EUR map. We expect to encounter better reservoir to the south at our new proposed location.

The Dakota formation is a secondary objective and was completed in the San Juan 32-5 Unit #8 well, resulting in poor production with a total of 159 MMCF produced over the life of the well (see attached EUR map). Moving south to our newly proposed location, we expect the reservoir to be better and the pay zone to increase.

In addition, both the Bureau of Land Management and the Bureau of Reclamation support the move, as it will result in a location approximately 1,000 feet higher than the high water line of Navajo Lake and will be out of sight of the lake.

Administrative Approval of Unorthodox Locations
San Juan 32-5 Unit #8R Well - Amended Location
2,075' FNL and 145' FEL, Section 27, T32N-R6W
Mesa Verde Commingle
Rio Arriba County, New Mexico
Page 2

For the foregoing reasons, we respectfully request administrative approval of an unorthodox location 2,075' FNL and 145' FEL of Section 27, T32N-R6W, NMPM for our San Juan 32-5 Unit #8R well.

The offset operators will be furnished with a copy of the correspondence.

We apologize for any inconvenience this may have caused and thank you for your consideration in this matter.

Sincerely,

A handwritten signature in cursive script that reads "Richard Corcoran".

Richard Corcoran
District Landman

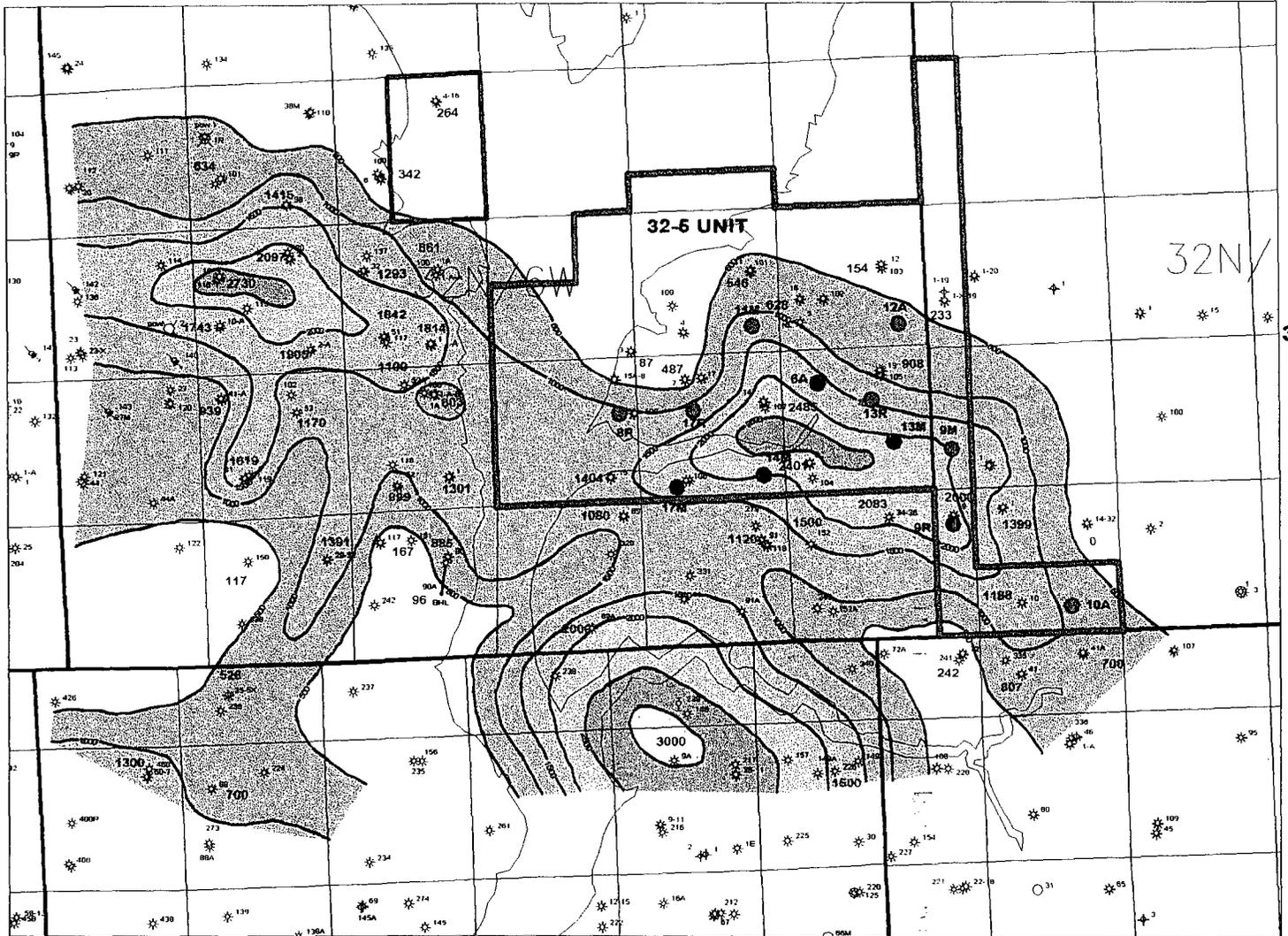
Attachment

RC:tm

Enclosures

R 6 W

R 5 W



LEGEND	
●	1998 NEW DRILLS
●	1999 NEW DRILLS

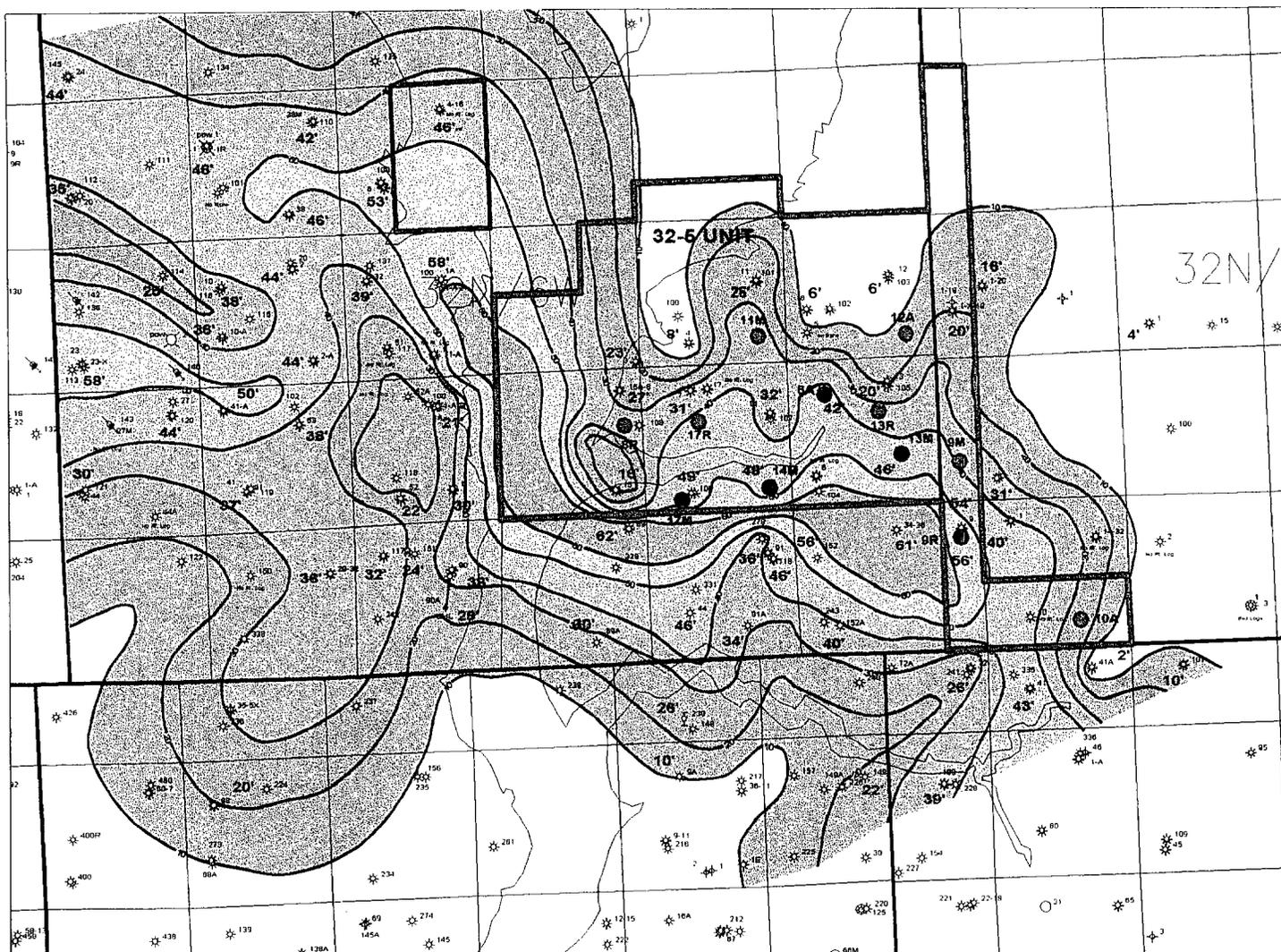
Mesaverde EUR

ENERGEN RESOURCES	
SAN JUAN 32-5 UNIT GEOLOGY: G. JENNINGS	
r/leenor	1/13/99
bl5me.gpf	Scale 1:75000.

32-5 Unit (mmcf)

R 6 W

R 5 W



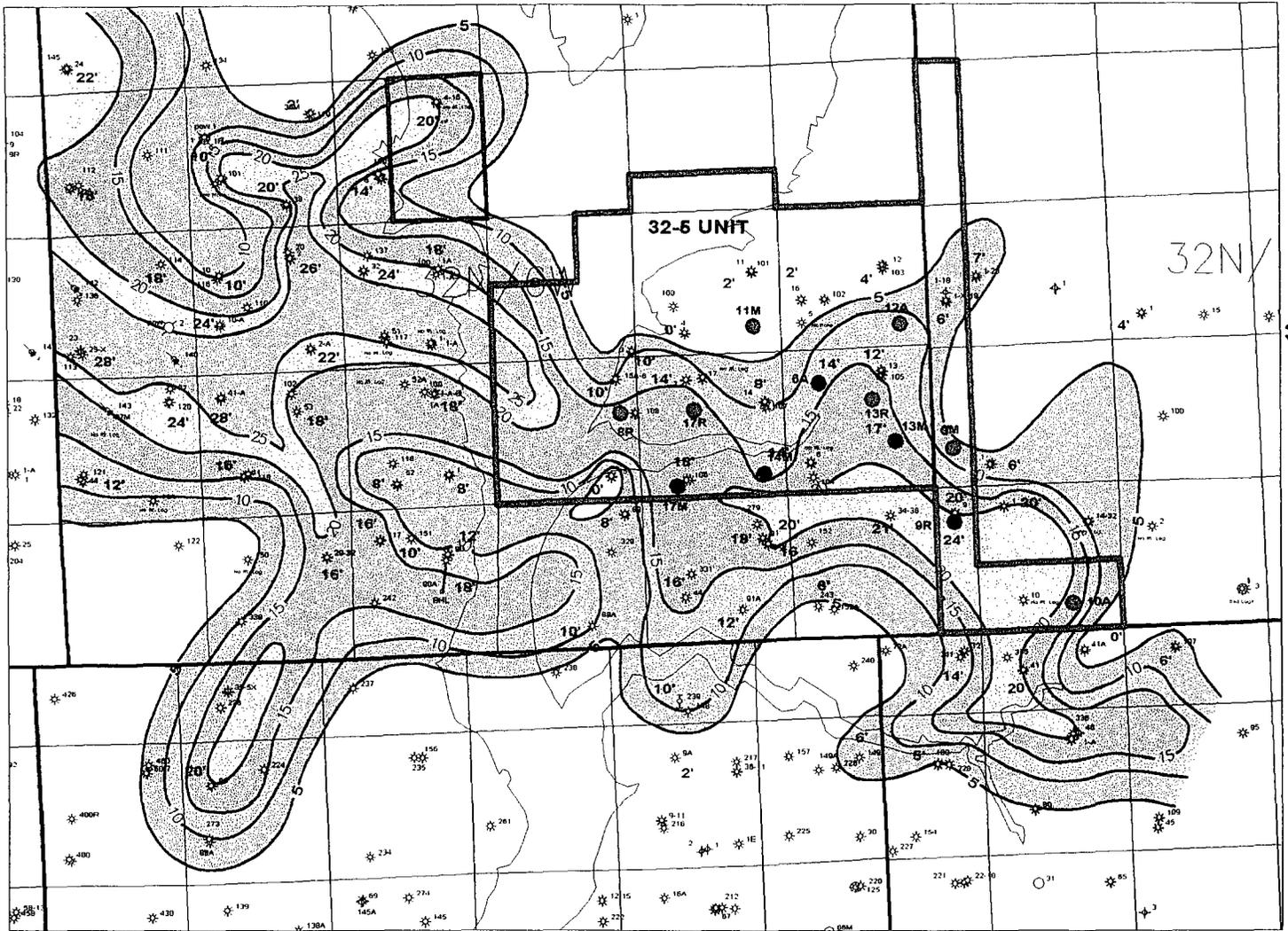
LEGEND	
●	1998 NEW DRILLS
●	1999 NEW DRILLS

ENERGEN RESOURCES		
SAN JUAN BASIN GEOLOGY: G JENNINGS SAN JUAN BASIN PROJECT		
rleenor		1/12/99
bk5mtn.gpf	Scale 1:75000.	

Point Lookout
 (A+B+C Zones)
 32-5 Unit
 Net Pay Isopach
 SS > 20 ohms

R 6 W

R5W



LEGEND	
●	1998 NEW DRILLS
●	1999 NEW DRILLS

Point Lookout "A"

32-5 Unit

Net Pay Isopach

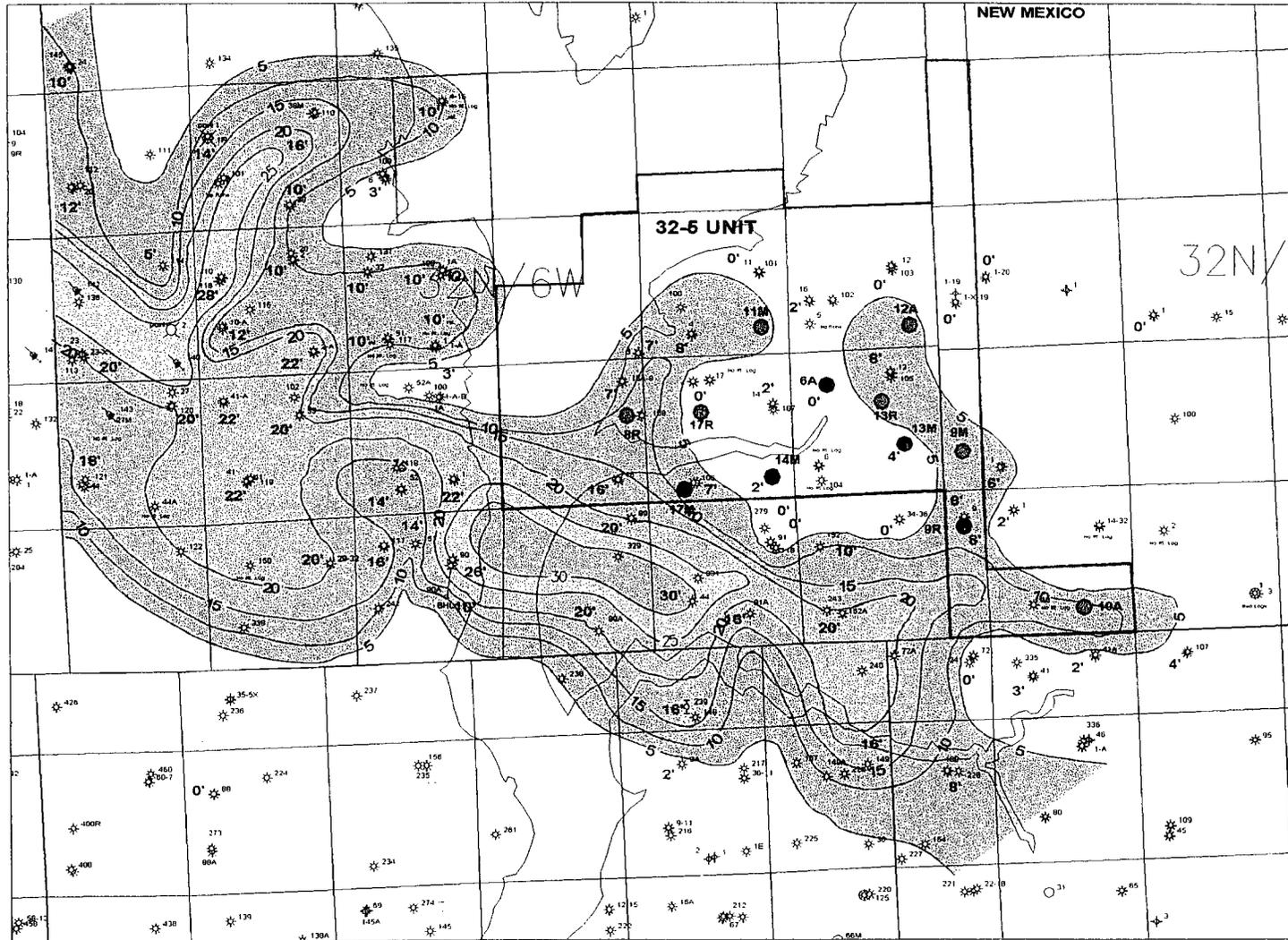
SS > 20 ohms

ENERGEN RESOURCES		
SAN JUAN BASIN GEOLOGY: G. JENNINGS SAN JUAN BASIN PROJECT		
rfl/lenor		1/12/99
bk5man.gpf	Scale 1:75000.	

R 6 W

R 5 W

COLORADO
NEW MEXICO



LEGEND	
●	1998 NEW DRILLS
●	1999 NEW DRILLS

ENERGEN RESOURCES	
SAN JUAN BASIN GEOLOGY: G JENNINGS SAN JUAN BASIN PROJECT	
rflcenor	1/12/99
bk5mbn.gpf	Scale 1:75000.

Point Lookout "B"

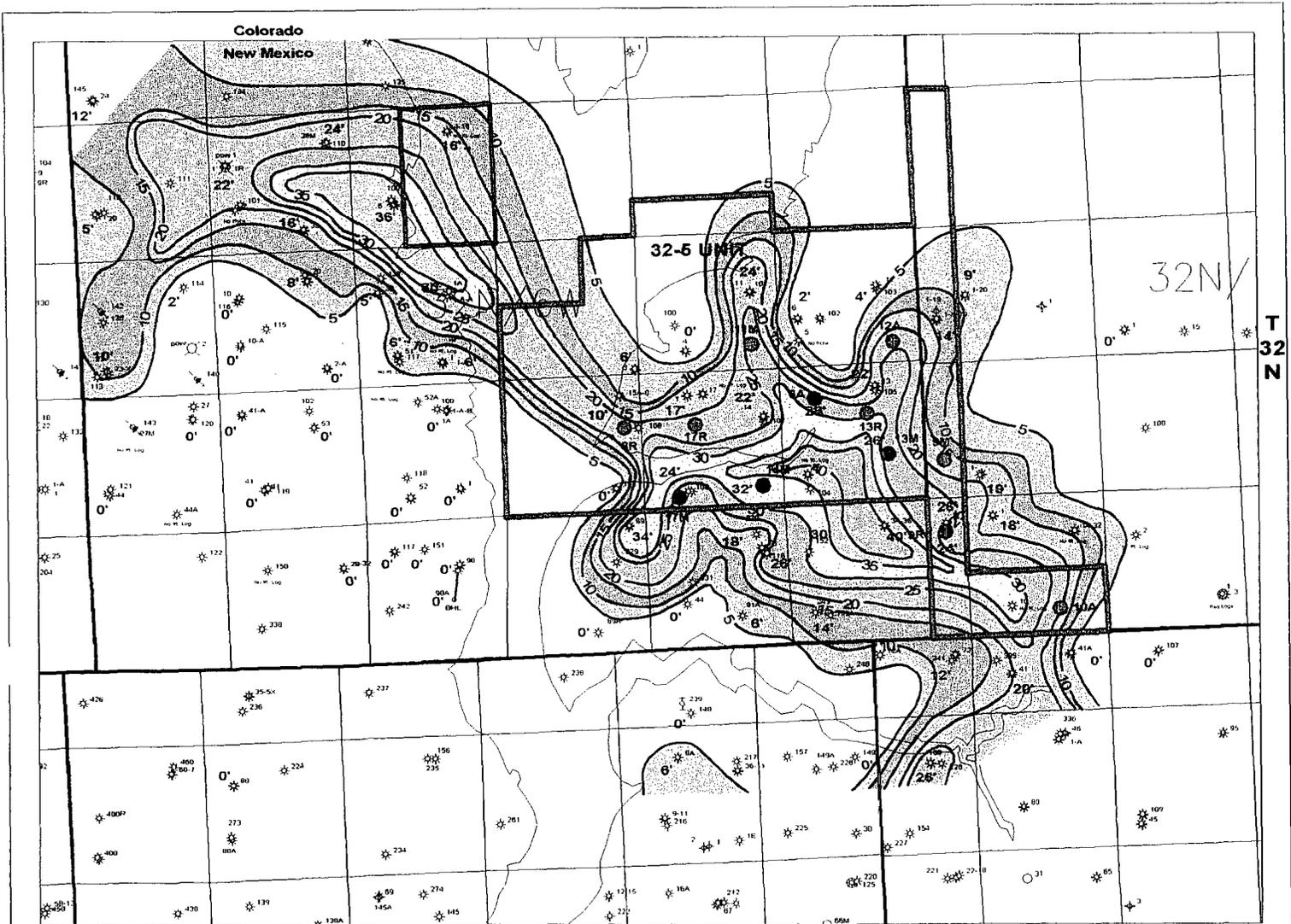
32-5 Unit

Net Pay Isopach

SS > 20 ohms

R 6 W

R5W



LEGEND	
●	1998 NEW DRILLS
●	1999 NEW DRILLS

ENERGEN RESOURCES		
SAN JUAN BASIN GEOLOGY: G JENNINGS SAN JUAN BASIN PROJECT		
rleonor		1/12/99
bk5mcrn.gpf	Scale 1:75000.	

Point Lookout "C"

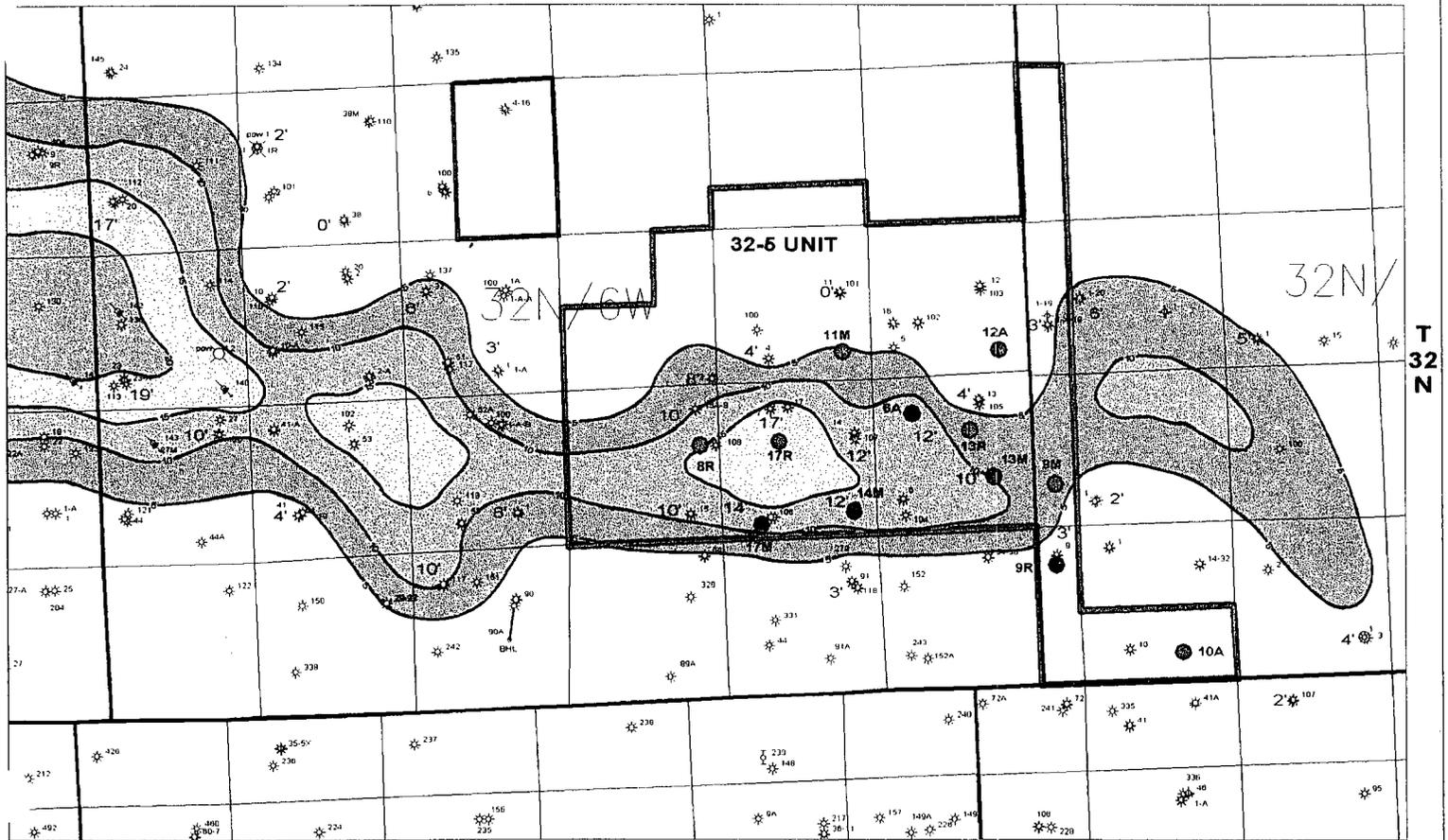
32-5 Unit

Net Pay Isopach

SS > 20 ohms

R 6 W

R 5 W



LEGEND	
●	1998 NEW DRILLS
●	1999 NEW DRILLS

ENERGEN RESOURCES		
SAN JUAN 32-5 UNIT GEOLOGY: G. JENNINGS		
rftcenor		1/12/99
bk54dn.gpf	Scale 1:75000.	

DAKOTA "A"

32-5 UNIT

Net Pay Isopach

SS > 40 OHMS

District I
 1911 Oak 1980, Hobbs, NM 88241-1980
 District II
 211 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals & Natural Resources Department

FORM C-102
 Revised October 13, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 4 Copies
 Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 72329/71599		3 Pool Name Blanco Mesaverde/Basin Dakota	
4 Property Code		5 Property Name SAN JUAN 32-5		6 Well Number 8R	
7 OGRID No. 162928		8 Operator Name ENERGEN RESOURCES, INC.		9 Elevation 6413'	

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
H	27	32N	6W		2075'	NORTH	145'	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 320/320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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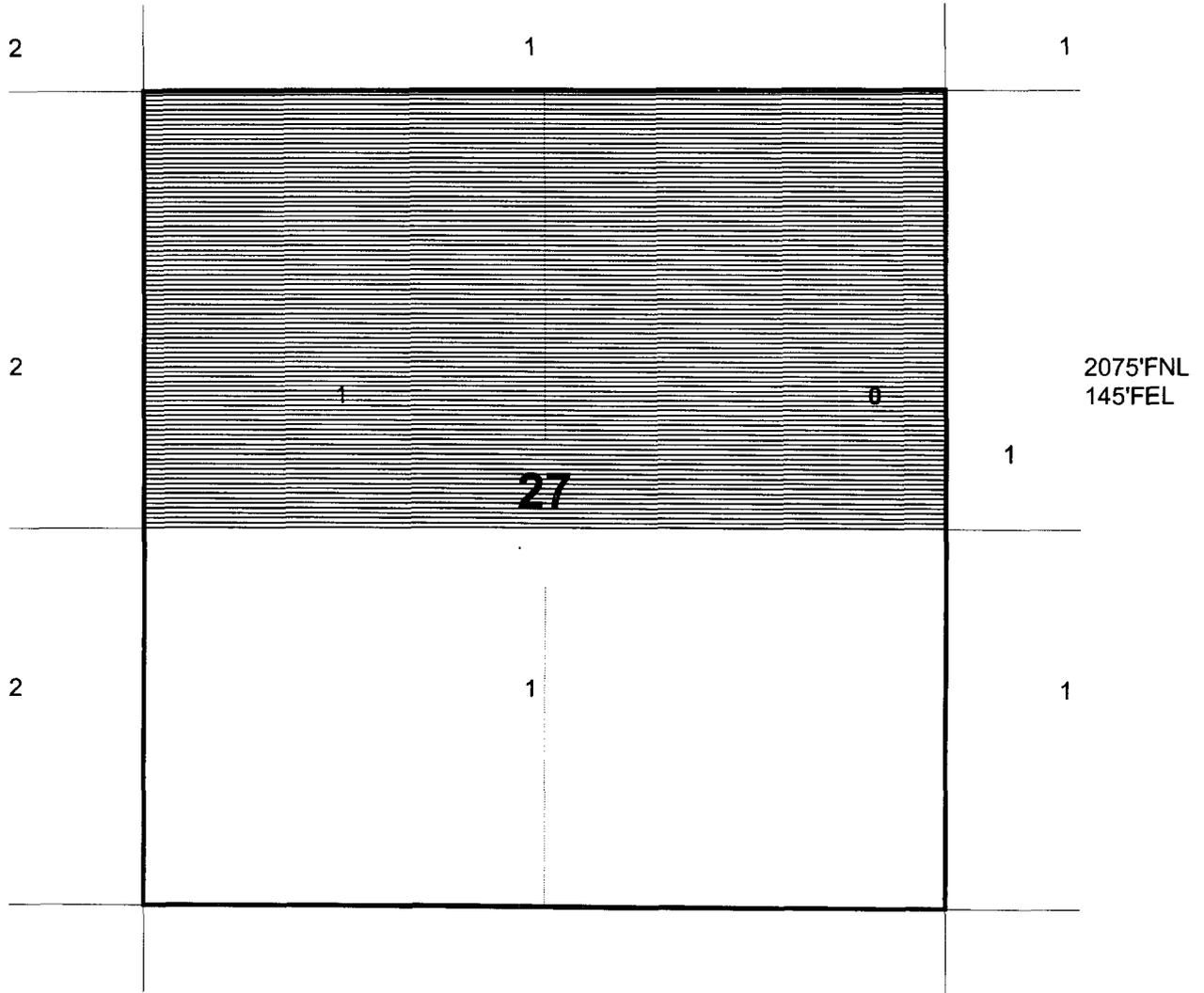
NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

889°47'W 2683.56' 5368.64' Section 27 2075' 145' 2681.58'	17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  Signature Gary W. Brink Printed Name Production Superintendent Title 2/18/99 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. 12/02/98 Date of Survey Signature and Seal of Professional Surveyer:  Verified Number	
887°40'W 2663.10' N00°16'E	889°37'W 2845.26' N00°12'W	

ENERGEN RESOURCES CORPORATION

San Juan 32-5 Unit #8R
OFFSET OPERATOR \ OWNER PLAT
Commingle Dakota \ Mesa Verde Formations

DAKOTA N/2 SPACING
Township 32 North - Range 6 West

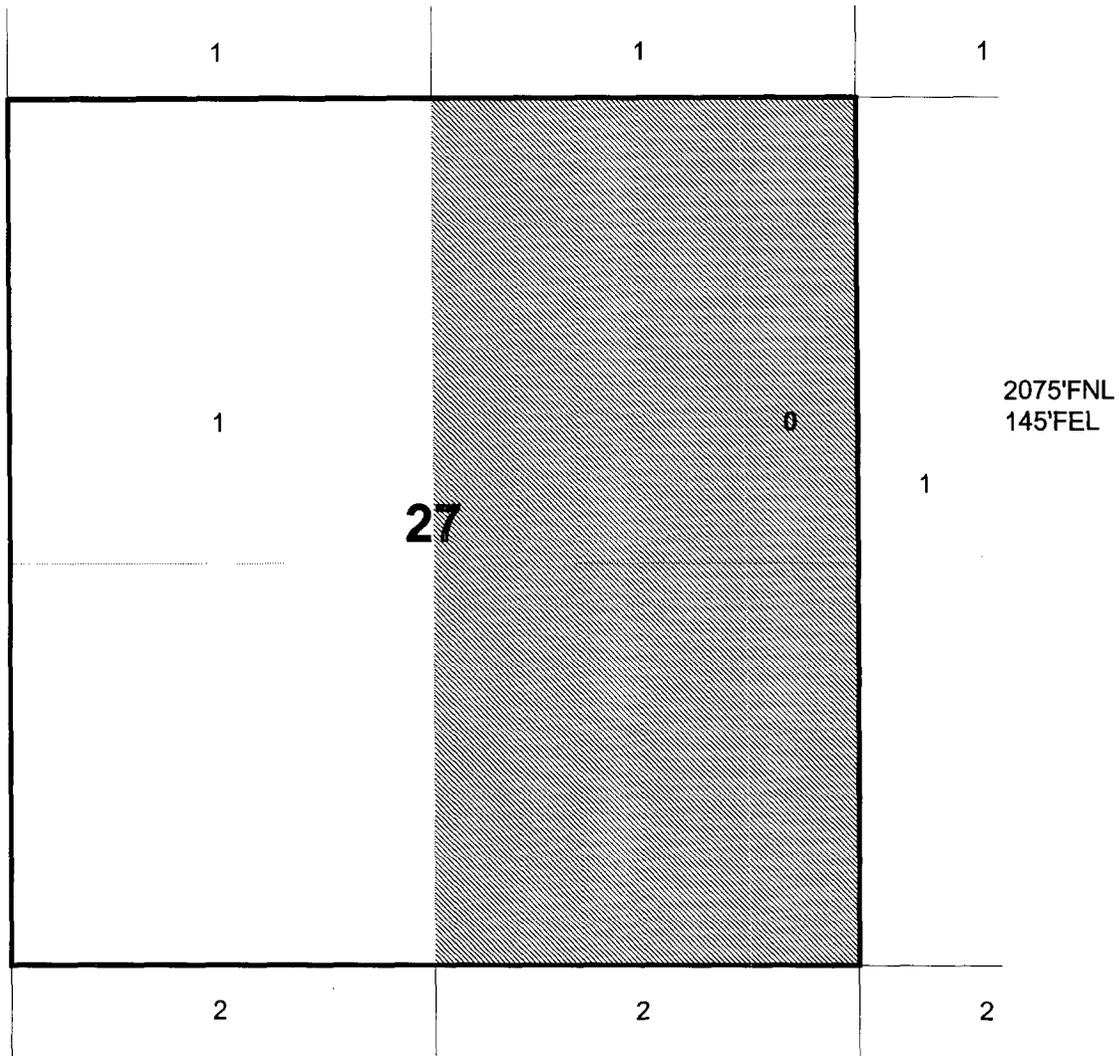


- 1. Taurus Exploration U S A, Inc.
- 2. Burlington Resources

ENERGEN RESOURCES CORPORATION

San Juan 32-5 Unit #8R
OFFSET OPERATOR \ OWNER PLAT
Commingle Dakota \ Mesa Verde Formations

MESA VERDE E/2 SPACING
Township 32 North - Range 6 West



- 1. Taurus Exploration U S A, Inc.
- 2. Williams Production Company

ENERGEN RESOURCES INC.

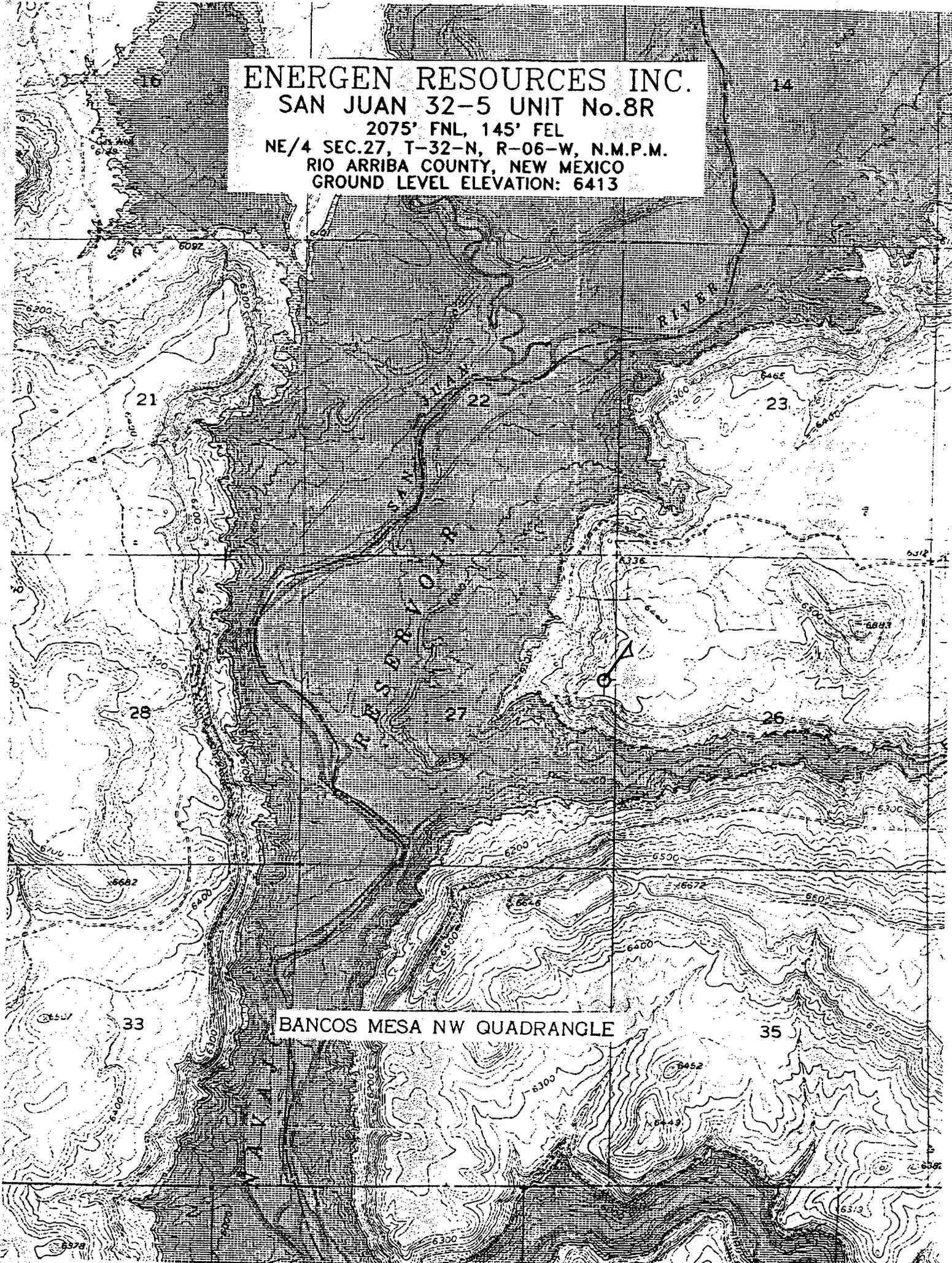
SAN JUAN 32-5 UNIT No.8R

2075' FNL, 145' FEL

NE/4 SEC.27, T-32-N, R-06-W, N.M.P.M.

RIO ARriba COUNTY, NEW MEXICO

GROUND LEVEL ELEVATION: 6413



BANCOS MESA NW QUADRANGLE



March 4, 1999

Ms. Shannon Nichols
Burlington Resources
P. O. Box 4289
Farmington, NM 87499

RE: Administrative Approval of Unorthodox Location
San Juan 32-5, Unit 8R Well – Amended Location
2,075' FNL, 145' FEL
Sec.27-T32N-R6W
Rio Arriba County, New Mexico
Mesa Verde/Dakota Commingle

Dear Shannon:

Energen Resources Inc. has filed with the New Mexico Oil Conservation Division (NMOCD) an application for the Administrative Approval of an Unorthodox Location for its San Juan 32-5 Unit #8R well. A copy of the application has been attached for your review.

If you have no objection to this unorthodox location, please sign the 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. Self addressed envelopes are enclosed.

Your assistance and cooperation in this matter are appreciated.

Sincerely,

Richard Corcoran
District Landman

RC/tm

WAIVER

_____ hereby waives objection to the above referenced
Application for Unorthodox Location for Energen Resources Inc. San Juan 32-5 Unit 8R well.

Date: _____ By: _____

Cc: OCD-Aztec Office



March 4, 1999

Ms. Cynthia Marinella
Williams Production Company
One Williams Center - PO Box 3102
Tulsa, OK 74101

RE: Administrative Approval of Unorthodox Location
San Juan 32-5, Unit 8R Well – Amended Location
2,075' FNL, 145' FEL
Sec.27-T32N-R6W
Rio Arriba County, New Mexico
Mesa Verde/Dakota Commingle

Dear Ms. Marinella:

Energen Resources Inc. has filed with the New Mexico Oil Conservation Division (NMOCD) an application for the Administrative Approval of an Unorthodox Location for its San Juan 32-5 Unit #8R well. A copy of the application has been attached for your review.

If you have no objection to this unorthodox location, please sign the 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. Self addressed envelopes are enclosed.

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Richard Corcoran
District Landman

RC/tm

WAIVER

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Application for Unorthodox Location for Energen Resources Inc. San Juan 32-5 Unit 8R well.

Date: _____ By: _____

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