



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop
Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Administrative Order DHC-4007
Application Reference Number: pKVR0807753953

ENERGEN RESOURCES CORPORATION
2010 AFTON PLACE,
FARMINGTON, NM 87401

Attention: JUSTIN M. STOLWORTHY, DISTRICT ENGINEER

CULLINS FEDERAL Well No. 005
API No: 30-039-24045
Unit G, Section 4, Township 24 North, Range 3 West, NMPM
Rio Arriba County, New Mexico
Pool: BLANCO P. C. SOUTH (PRORATED GAS) Gas 72439
Names: LINDRITH GALLUP-DAKOTA, WEST Oil 39189

Reference is made to your recent application for an exception to Rule 303.A. of the Division Rules and Regulations to permit the above-described well to commingle production from the subject pools in the wellbore.

It appearing that the subject well qualifies for approval for such exception pursuant to the provisions of Rule 303.C., and that reservoir damage or waste will not result from such downhole commingling, and correlative rights will not be violated thereby, you are hereby authorized to commingle the production as described above and any Division Order which authorized the dual completion or otherwise required separation of the zones is hereby placed in abeyance.

In accordance with Division 303C.(1)(f), the production attributed to any commingled pool within the well shall not exceed the allowable applicable to that pool.

Assignment of allowable to the well and allocation of production from the well shall be done by the subtraction method. The Pictured Cliffs production shall be the remainder of the total well production after declining the Gallup-Dakota production.

REMARKS: The operator shall notify the Aztec District Office of the Division upon implementation of commingling operations.

Pursuant to Rule 303C(2), the commingling authority granted herein may be rescinded by the Division Director if conservation is not being best served by such commingling.

Order approved at Santa Fe, New Mexico on 4/8/2008.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



MARK E. FESMIRE, P.E.
Director

cc: Oil Conservation Division – Aztec
Bureau of Land Management - Farmington