

PNB50-328838025

DATE IN 9/30/2003	SUSPENSE 10/01/2003	ENGINEER MS	LOGGED MS	RECEIVED TYPE N56
-------------------	---------------------	-------------	-----------	----------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

SEP 30 2003

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

OIL CONSERVATION

Jicarilla 95 #5C Well

DIVISION

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
- [X] 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

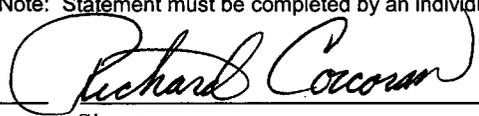
[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] [] Working, Royalty or Overriding Royalty Interest Owners
- [B] [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.

Richard P. Corcoran  District Landman 9-26-03
 Print or Type Name Signature Title Date



September 26, 2003

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

RE: ADMINISTRATIVE APPROVAL OF UNORTHODOX LOCATION
JICARILLA 95 #5C
2,140 FNL & 105 FWL
SECTION 25-T27N-R3W
RIO ARRIBA COUNTY, NEW MEXICO

Dear Mr. Stogner:

Energen Resources Corporation (Energen) hereby requests Administrative Approval for an Unorthodox Location of its proposed Jicarilla 95 #5C Blanco Mesaverde well under the provisions of New Mexico Oil Conservation Division (NMOCD) Order R-10987-A.

The proposed well is to be located 2,140 FNL & 105 FWL of Section 25-T27N-R3W, Rio Arriba County, New Mexico and dedicated to a standard 320 acre gas spacing unit consisting of the W² of said Section 25, in the Blanco Mesaverde gas pool.

The proposed well is closer than 660 feet to the western boundary of the proration unit, causing a non-standard location. The well is proposed at this unorthodox location to move as far west from three uneconomic wells previously drilled in Section 25 and to avoid an archeological site at an orthodox location. (See attached map and geologic explanation)

The Jicarilla 95 #2 (API #30-039-06939) located 990 FNL and 990 FEL of Section 25-T27N-R3W, was drilled to a total depth of 6,300, completed in the Pictured Cliffs and Mesaverde formation on October 16, 1956 and has produced 425,133 MCFG through April of 2003. The Jicarilla 95 #2A (API #30-039-25426) located 790 FNL and 1,450 FEL of Section 25-T27N-R3W, was drilled to a total depth of 6,600, completed in the Pictured Cliffs and Mesaverde formation on September 9, 1994 and has produced 137,079 MCFG through April of 2003. The Jicarilla 95 #5A (API #30-039-21483) located 1,190 FNL and 1,190 FWL of Section 25-T27N-R3W, was drilled to a total depth of 6,250, completed in the Pictured Cliffs and Mesaverde formation on December 13, 1977 and has produced 543,628 MCFG through April of 2003.

As this is a replacement well we are attempting to move it to a point of greater potential thickness and better reservoir quality which, become better to the west. Further an orthodox location 2,300 FNL and 660 FWL was in the center of a road with an archeological site bordering the west side of the road and deteriorating reservoir quality to the east. Moving the location to the west side of the archeologic site resulted in the non-standard location we are requesting.

Energen is the Lessee and operator of all surrounding locations.

Attached is a well location plat showing dedicated acreage (C-102), a topographic plat of the area, and a map showing all offsetting owners.

Your favorable consideration of this request would be appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Richard Corcoran". The signature is written in black ink and is positioned above the printed name.

Richard Corcoran
District Landman

R3W

R2W

A

Kgl P.A. '96



Kpc P.A. '96

8
Kpc. Abd. '98
Kmv

5A
Kpc
Kmv

2
Kpc-T
Kmv

26

25

ARCH SITE

10
S
Kgl
Kd-Abd. '9

5
Kpc-T
Kmv

2A
Kpc
Kmv

Kmv

19

20

1A

1
Kpc
Kmv-S

7A

7
Kpc Abd. '99
Kmv

35

35

9
S
1A
Kpc

6
Kpc
Kmv

6A
Kpc
Kmv

30

29

Kmv D.A. '77

UNECONOMIC WELLS



Jicarilla 95-5C

Unorthodox location for geologic, economic, topographic and archeological reasons
Explanation

The Jicarilla 95-5C (SWNW sect. 25, 27-3W) is a very risky Mesaverde development location on the eastern edge of economic production. The risk is based on uneconomic wells previously drilled in section 25. The three wells drilled in the NW/4, NE/4, and SE/4 of sect. 25 are all uneconomic. These wells define the eastern edge of the Mesaverde field in this area. Our exception location attempts to get away as far as possible from this area where the reservoir is poorly developed. A well placed at a standard location in the NW/4 would be uneconomic.

In addition, the locations of a road and archeological site have influenced the proposed wellsite. An orthodox location was attempted @ 2300' FNL, 660' FWL. This location fell on a road. Moving east of the road is not acceptable because of the decreasing reservoir quality. Immediately west of the road is an archeological site. We therefore settled on the final location as submitted.

The data indicates that even at this exception location, we are taking significant risk in an attempt to develop additional reserves.

District I
PO Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102

Revised February 21, 1994

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

¹ API Number		² Pool Code 72319		³ Pool Name BLANCO MESAVERDE	
⁴ Property Code		⁵ Property Name JICARILLA 95			⁶ Well Number 5C
⁷ GRID No. 162928		⁸ Operator Name ENERGEN RESOURCES CORPORATION			⁹ Elevation 7282'

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
E	25	27N	3W		2140	NORTH	105	WEST	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 - (W/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

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</p> <p>Signature _____ Don Graham</p> <p>Printed Name _____ Production Superintendent</p> <p>Title _____</p> <p>Date _____</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey: JULY 7, 2003</p> <p>Signature and Seal of Professional Surveyor</p> <div style="text-align: center;"> </div> <p>JASON C. EDWARDS Certificate Number 15269</p>

ENERGEN RESOURCES CORPORATION JICARILLA 95 #5C

2140' FNL & 105' FWL, SECTION 25, T27N, R3W, N.M.P.M.

RIO ARRIBA COUNTY, NEW MEXICO

