

PNESO-331458032

DATE IN 11-10-03	SUSPENSE 12-01-03	ENGINEER MES	LOGGED MS	RECEIVED
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ABOVE THIS LINE FOR DIVISION USE ONLY

NOV 10 2003

**NEW MEXICO OIL CONSERVATION DIVISION**  
- Engineering Bureau -

**OIL CONSERVATION DIVISION**

**Elkhorn #101**

**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] 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.

Richard Corcoran  
Print or Type Name

*Richard Corcoran*  
Signature

District Landman  
Title

November 7, 2003  
Date



November 7, 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  
ELKHORN #101  
1975' FNL & 1870' FEL  
SECTION 29-T32N-R5W  
RIO ARRIBA COUNTY, NEW MEXICO

Dear Mr. Stogner:

Energen Resources Corporation (Energen) proposed the drilling of the Elkhorn #101 at a legal location 1975' FNL & 1870' FEL of Section 29-T32N-R5W, Rio Arriba County, New Mexico in March of 2003.

Due to the extremely sensitive nature of the location to wild life the Bureau of Land Management (BLM) required that an environmental assessment (EA) covering the entire habitat area be done before an APD would be considered. Since the area in question also covers acreage in the Carson National Forest the Jicarilla Ranger District concurred that an EA would be required (see attached EA).

The EA was completed and resulted in the need to move our proposed well off of Quintana Mesa. The topography to the north is very rugged and obtaining access, even to a non standard location, is detrimental to wild life habitat and very challenging physically to construct. (see attached letter from BLM and topo map). Given the circumstances the best location we were able to find was 775' FNL and 250' FWL of Section 29-T32N-R5W.

Energen hereby requests administrative approval for an unorthodox location for its Elkhorn #101 Fruitland Coal well under the provisions of NMOCDC Order R-8768-F. The well is located 775' FNL & 250' FWL of Section 29-T32N-R5W and will be dedicated to a proration unit consisting of the E/2 of said Section 29.

Energen operates all of the surrounding proration units except to the north, northwest and northeast, none of which are producing. All of Section 20 and the E/2 W/2 of Section 21 are owned by the USA, are unleased, and the BLM is unwilling to grant new leases on these properties. Energen is the Lessee of the W/2 W/2 of Section 21.

Since drilling operations are not allowed from December 1 through April 1 Energen has drilled the subject well and is presently cavitating it.

Attached is a well plat showing the dedicated acreage, a topographic plat of the area and a map showing offsetting operators or owners.

Sincerely,

A handwritten signature in black ink that reads "Richard Corcoran". The signature is written in a cursive style with a large, sweeping initial "R".

Richard Corcoran  
District Landman

RC/ga

Enclosures

District II  
PO Drawer DD, Artesia, NM 88211-0719

### OIL CONSERVATION DIVISION

PO Box 2088

Santa Fe, NM 87504-2088

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 <b>30-039-27450</b>		*Pool Code 71629	*Pool Name BASIN FRUITLAND COAL
*Property Code	*Property Name ELK HORN		*Well Number 101
*OGRID No. 162928	*Operator Name ENERGEN RESOURCES CORPORATION		*Elevation 6815'

#### 10 Surface Location

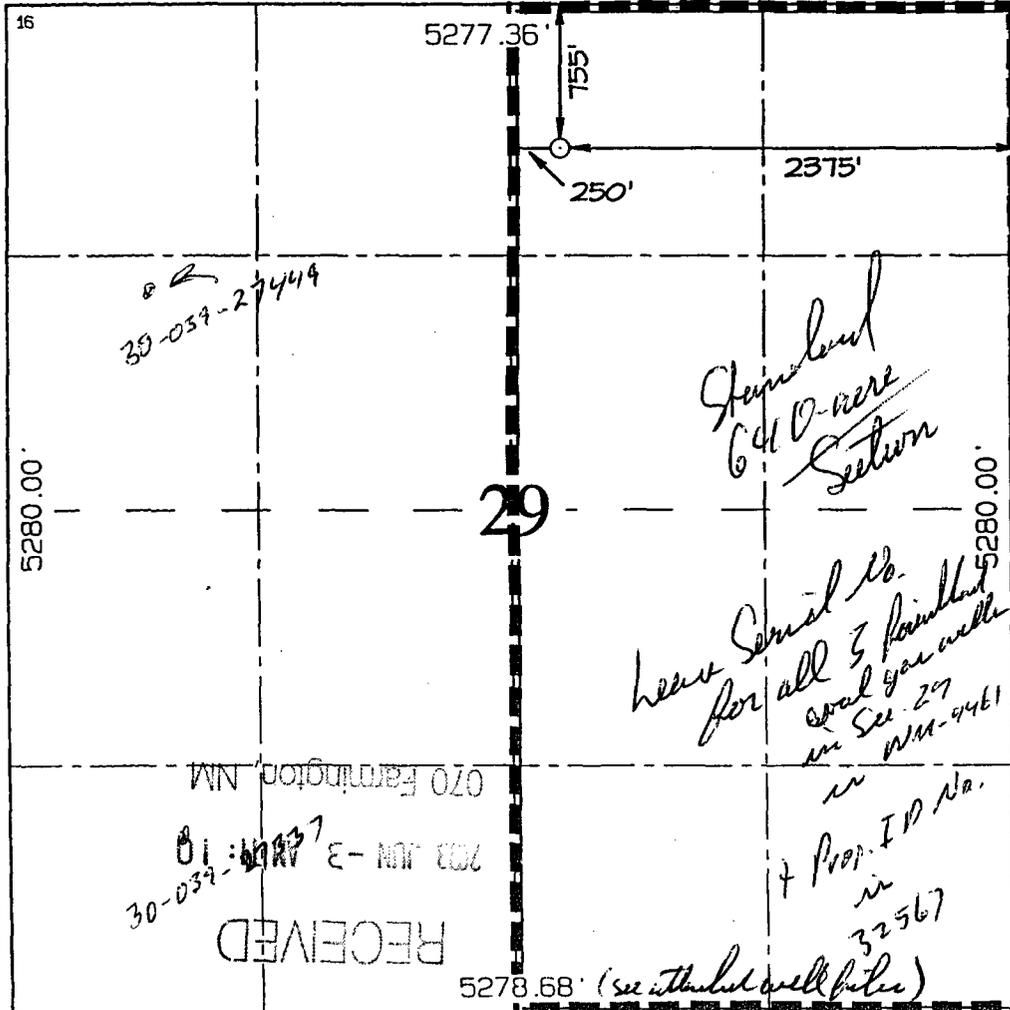
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	29	32N	5W		755	NORTH	2375	EAST	RIO ARRIBA

#### 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

*Dedicated Acres 320.0 Acres - (E/2)	*Joint or Infill	*Consolidation Code	*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



**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  
5-30-03  
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: APRIL 21, 2003

Signature and Seal of Professional Surveyor

**JASON C. EDWARDS**  
Certificate Number 15269

ENERGEN RESOURCES CORPORATION .K HORN #101

1975' FNL & 1870' FEL, SECTION 29, T32N, R5W, N.M.P.M.  
RIO ARRIBA COUNTY, NEW MEXICO

