

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

|  |                                       |                               |
|--|---------------------------------------|-------------------------------|
| 1. Operator Name and Address<br>ENERGEN RESOURCES CORPORATION<br>2198 Bloomfield Highway<br>Farmington, NM 87401 |                                       | 2. OGRID Number<br>162928     |
|  |                                       | 3. API Number<br>30-045-33465 |
| 4. Property Code<br>300421   | 5. Property Name<br>MORELAND 29-10-26 | 6. Well No.<br>001S           |

**7. Surface Location**

|          |         |          |       |         |           |          |           |          |          |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|----------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County   |
| F        | 26      | 29N      | 10W   | F       | 1845      | N        | 2460      | W        | SAN JUAN |

**8. Pool Information**

|                            |       |
|----------------------------|-------|
| BASIN FRUITLAND COAL (GAS) | 71629 |
|----------------------------|-------|

**Additional Well Information**

|  |                            |  |                           |   |
|--|----------------------------|--|---------------------------|---|
| 9. Work Type<br>New Well   | 10. Well Type<br>GAS       | 11. Cable/Rotary                               | 12. Lease Type<br>Private | 13. Ground Level Elevation<br>5530          |
| 14. Multiple<br>N  | 15. Proposed Depth<br>2062 | 16. Formation<br>Fruitland Coal                | 17. Contractor            | 18. Spud Date<br>11/22/2005                 |
| Depth to Ground water<br>50  |                            | Distance from nearest fresh water well<br>1000 |                           | Distance to nearest surface water<br>> 1000 |
| Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 2000 _____ bbls Drilling Method:<br>Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> |                            |  |                           |   |

**19. Proposed Casing and Cement Program**

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 12.25     | 8.625       | 24               | 300           | 225             | 0             |
| Prod | 7.875     | 5.5         | 15.5             | 2062          | 420             | 0             |

**Casing/Cement Program: Additional Comments**

|  |
|--|
|  |
|--|

**Proposed Blowout Prevention Program**

|           |                  |               |              |
|-----------|------------------|---------------|--------------|
| Type      | Working Pressure | Test Pressure | Manufacturer |
| DoubleRam | 1200             | 1200          |              |

|   |  |                             |
|---|--|-----------------------------|
| I hereby certify that the information given above is true and complete to the best of my knowledge and belief. <b>I further certify that the drilling pit will be constructed according to NMOCD guidelines</b> <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . | OIL CONSERVATION DIVISION                            |                             |
|   | Approved By: Charlie Perrin                          |                             |
|   | Title: District Supervisor                           |                             |
|   | Approved Date: 12/12/2005                            | Expiration Date: 12/12/2006 |
|   | Printed Name: Electronically filed by Vicki Donaghey |                             |
| Title: Production Assistant   |  |                             |
| Email Address: vdonaghe@energen.com   |  |                             |
| Date: 12/2/2005   Phone: 505-325-6800   |  |                             |

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
District IV  
1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

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Form C-102  
Permit 18437

WELL LOCATION AND ACREAGE DEDICATION PLAT

|                               |   |  |
|-------------------------------|---|--|
| 1. API Number<br>30-045-33465 | 2. Pool Code<br>71629                             | 3. Pool Name<br>BASIN FRUITLAND COAL (GAS) |
| 4. Property Code<br>300421    | 5. Property Name<br>MORELAND 29-10-26             | 6. Well No.<br>001S                        |
| 7. OGRID No.<br>162928        | 8. Operator Name<br>ENERGEN RESOURCES CORPORATION | 9. Elevation<br>5530                       |

10. Surface Location

|               |               |                 |              |         |                   |               |                   |               |                    |
|---------------|---------------|-----------------|--------------|---------|-------------------|---------------|-------------------|---------------|--------------------|
| UL - Lot<br>F | Section<br>26 | Township<br>29N | Range<br>10W | Lot Idn | Feet From<br>1845 | N/S Line<br>N | Feet From<br>2460 | E/W Line<br>W | County<br>SAN JUAN |
|---------------|---------------|-----------------|--------------|---------|-------------------|---------------|-------------------|---------------|--------------------|

11. Bottom Hole Location If Different From Surface

|                               |                     |                        |               |         |           |          |           |          |        |
|-------------------------------|---------------------|------------------------|---------------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot                      | Section             | Township               | Range         | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| 12. Dedicated Acres<br>320.00 | 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

|  |   |
|--|---|
|  | <p><b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>E-Signed By: Vicki Donaghey<br/>Title: Production Assistant<br/>Date: 12/2/2005</p>   |
|  | <p><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>Surveyed By: Howard Daggett<br/>Date of Survey: 4/5/2005<br/>Certificate Number: 9679</p> |