

DATE IN 1/24/12	SUSPENSE	ENGINEER WVT	LOGGED IN 1/24/12	TYPE DHC	APP NO. 1202450679
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau - 1829-A
 1220 South St. Francis Drive, Santa Fe, NM 87505



PTGW
 Energen 11-2928

Jicarilla 95#5

ADMINISTRATIVE APPLICATION CHECKLIST 30-039-22053

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication
 NSL NSP 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

- [D] Other: Specify _____

F-33-26N-4W

[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] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that no action will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Adam Klem
 Print or Type Name

Signature

District Engineer
 Title

1/19/12
 Date

aklem@energen.com
 e-mail Address

January 10, 2012

Ms. Jami Bailey - Director
New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Approval to Downhole Commingle
Energen Resources Corporation
Jicarilla 107 #5
1720' FNL, 1495' FWL, Section 33, T26N, R04W
Rio Arriba County, New Mexico

Dear Ms. Bailey:

Energen Resources Corporation requests approval to downhole commingle the South Blanco Pictured Cliffs, Blanco Mesaverde and W. Lindrith Gallup-Dakota pools in the subject well. Due to the liquid loading problems commingling with plunger lift is the most economical method to recover gas from all zones in the subject well. We have successfully applied this method along with plunger lift in similar wells that have experienced liquid loading problems and it is felt this method would improve the overall producing efficiency of the well.

To comply with New Mexico Oil Conservation Rules, Energen Resources Corporation is submitting the following data for your approval of the proposed commingling.

1. C-107A - Application for Downhole Commingling
2. C-102 - Location plat showing each spacing unit and dedicated acreage
3. Offset Operator Ownership Plat
4. Allocation method

In accordance to New Mexico Oil Conservation Division Rule 303C, Energen Resources will notify all Offset operators.

If additional information is needed, please contact me at 505-324-4163.

Sincerely,



Adam Klem
District Engineer

xc:

NMOCD – Aztec District Office
BLM- FFO notified via Federal Sundry Notice 3160-5 and sent NMOCD form C-107A

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-22053		² Pool Code 39189		³ Pool Name W. Lindrith Gallup-Dakota	
⁴ Property Code 015879		⁵ Property Name Jicarilla 107			⁶ Well Number 5
⁷ OGRID No. 162928		⁸ Operator Name Energen Resources Corporation			⁹ Elevation 6856'

¹⁰ Surface Location

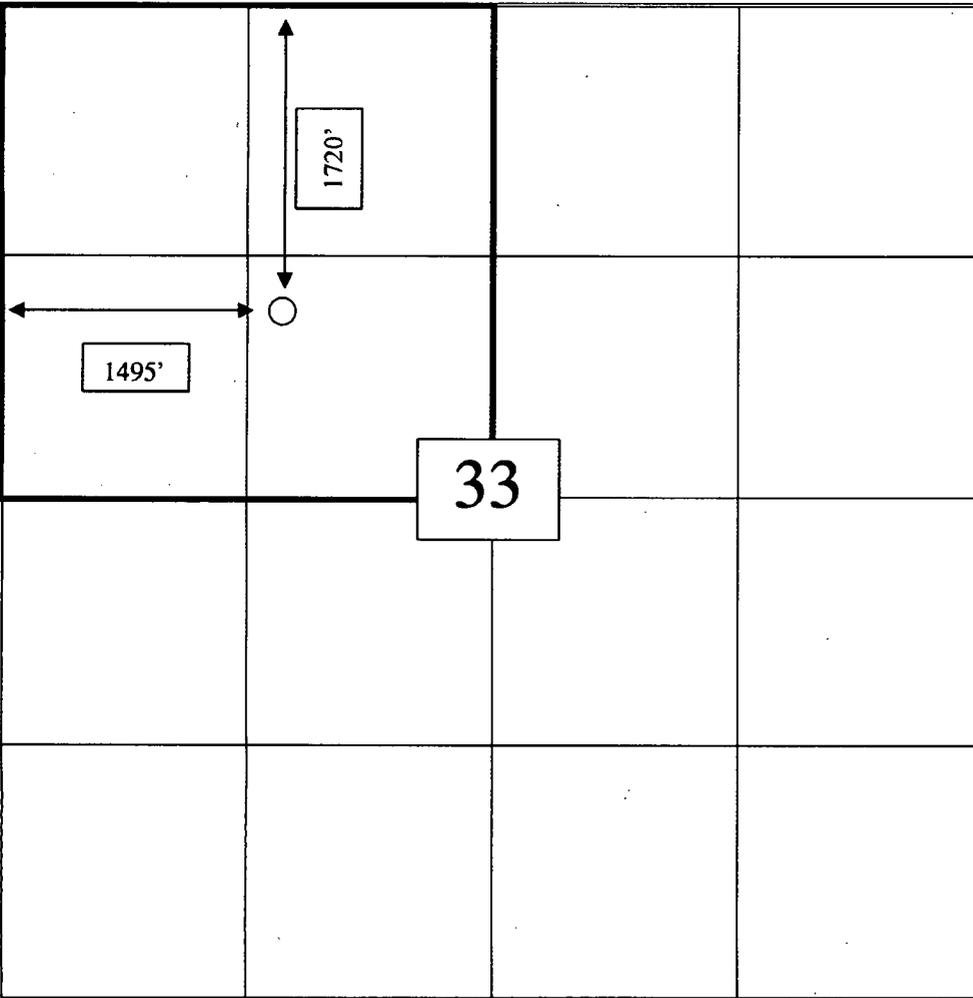
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	33	26N	4W		1720	North	1495	West	Rio Arriba

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 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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See R-4314-A
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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *[Signature]* Date: 1/3/2012

Printed Name: Adam Klem

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: _____
Signature and Seal of Professional Surveyor: _____

Certificate Number: _____

District I
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Revised October 12, 2005
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-22053	² Pool Code 72319	³ Pool Name Blanco Mesaverde
⁴ Property Code 015879	⁵ Property Name Jicarilla 107	
⁷ OGRID No. 162928	⁸ Operator Name Energen Resources Corporation	⁶ Well Number 5
⁹ Elevation 6856'		

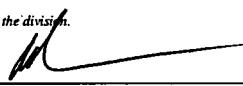
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	33	26N	4W		1720	North	1495	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	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>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p> 1/3/2012 Signature Date</p> <p>Adam Klem Printed Name</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</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>Date of Survey Signature and Seal of Professional Surveyor:</p>
	<p>Certificate Number</p>

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-22053		² Pool Code 72439		³ Pool Name South Blanco Pictured Cliffs	
⁴ Property Code 015879		⁵ Property Name Jicarilla 107			⁶ Well Number 5
⁷ OGRID No. 162928		⁸ Operator Name Energen Resources Corporation			⁹ Elevation 6856'

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
F	33	26N	4W		1720	North	1495	West	Rio Arriba

¹¹ Bottom Hole Location If Different From Surface

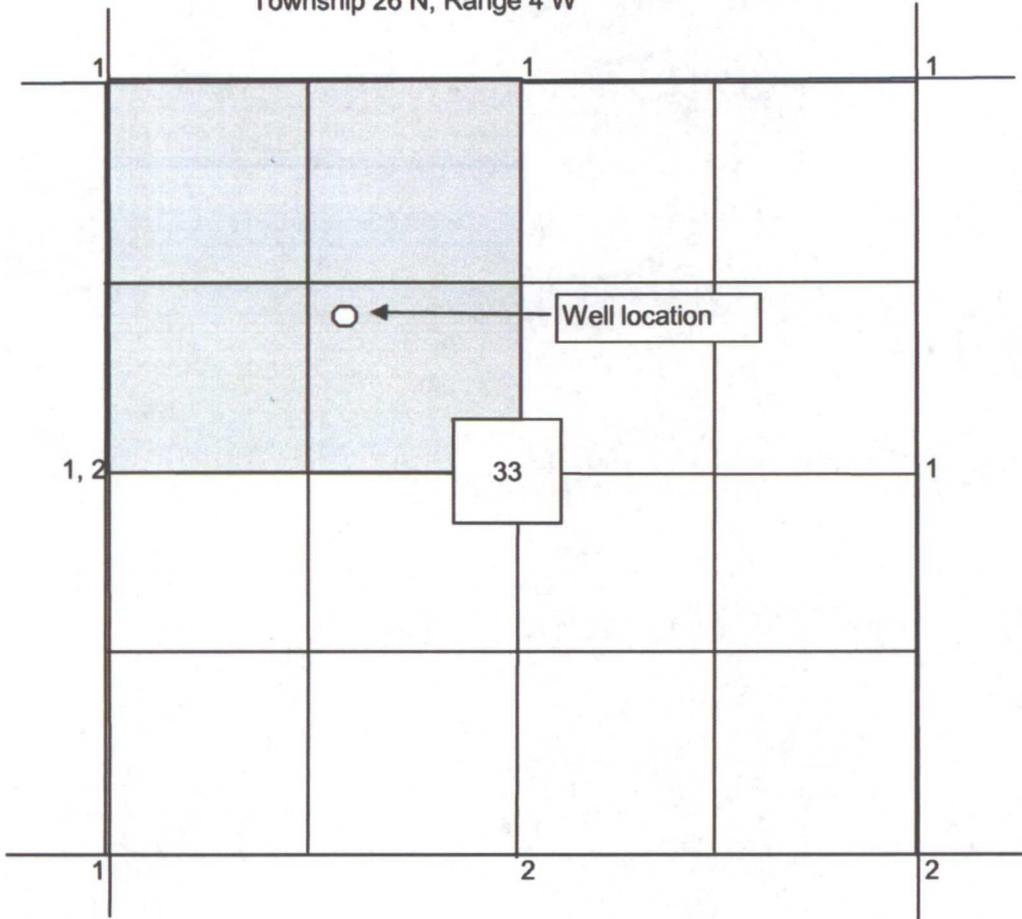
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 160		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>Signature: Date: 1/3/2012</p> <p>Adam Klem Printed Name</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</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>Date of Survey: _____ Signature and Seal of Professional Surveyor: _____</p> <p>Certificate Number: _____</p>

Energen Resources Corp.
Jicarilla 107 #5
Offset Operator/ Ownership Plat
W. Lindrith GL-DK/Blanco Mesaverde/South Blanco Picured Cliffs
Downhole Commingling

Township 26 N, Range 4 W



- 1) Energen Resources
- 2) ConocoPhillips

Allocation Method: Jicarilla 107 #5

Energen Resources plans on DHC the W. Lindrith Gallup-Dakota and Blanco Mesaverde with the South Blanco Pictured Cliffs

South Blanco Pictured Cliff perforations: 3390' to 3458'

Blanco Mesaverde: 5501' to 5623'

W. Lindrith Gallup-Dakota: 7599'-7751'

Current rates:

PC – not yet completed

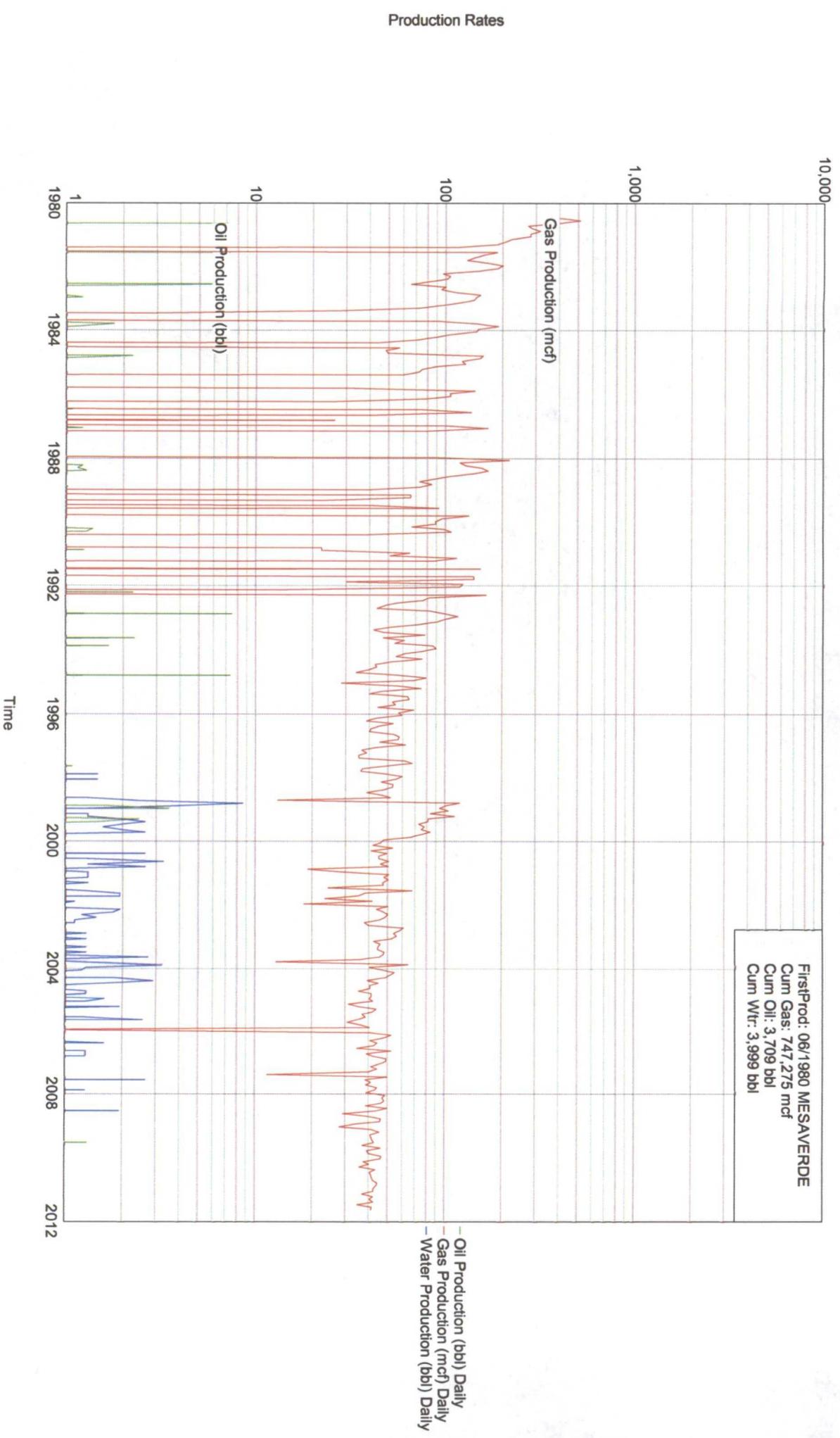
MV - 0 BOPD, 35 MCFD, & 0.7 BWPD

WLGD – 0 BOPD, 37 MCFD, & 0.8 BWPD

Recommended Allocation: Subtraction method following 60 days of stabilized production. Rates reported to NMOCD – Aztec for final determination.

Lease Name: JICARILLA 107
 County, State: RIO ARBA, NM
 Operator: ENERGEN RESOURCES CORPORATION
 Field: BLANCO
 Reservoir: MESAVERDE
 Location: 33 26N 4W NW SE NW

JICARILLA 107 - 5



Lease Name: JICARILLA 107
 County, State: RIO ARBA, NM
 Operator: ENERGEN RESOURCES CORPORATION
 Field: LINDRITH WEST
 Reservoir: GALLUP DAKOTA
 Location: 33 28N 4W NW SE NW

JICARILLA 107 - 5

Production Rates

