TYPE NSC | APP NO PS CM 053333

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -





ADMINISTRATIVE APPLICATION CHECKLIST 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-Leasé Storage] [OLM-Off-Lease Measurement] [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion] [SWD-Sait Water Disposal] [IPI-injection Pressure Increase] [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response] TYPE OF APPLICATION - Check Those Which Apply for [A] Location - Spacing Unit - Simultaneous Dedication NSL NSP Check One Only for [B] or [C] Commingling - Storage - Measurement [B] ☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery WFX PMX SWD PPI EOR PPR D Other: Specify NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply [2] Working, Royalty or Overriding Royalty Interest Owners IB1 Offset Operators, Leaseholders or Surface Owner [C] Application is One Which Requires Published Legal Notice 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. Print or Type Name Signature Title Date

e-mail Address



November 22, 2005

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

RE: Administrative approval of Unorthodox Location Federal 28-8-31 #1S 1510' FSL & 420' FEL Section 31, T28N, R8W San Juan County, New Mexico

Dear Mr. Stogner:

Energen Resources Corporation (Energen) hereby requests Administrative Approval for an Unorthodox Location of its proposed Federal 28-8-31 #1S Fruitland Coal well under the provisions of New Mexico Oil Conservation Division (NMOCD) order R-8768.

This well is located 1510' fsl & 420' fel of Section 31-T28N-R8W, San Juan County, New Mexico and dedicated to a spacing unit consisting of the E/2 of Section 31, in the Basin Fruitland Coal gas pool.

This well is closer than 660 feet to the Eastern boundary of the proration unit, causing an unorthodox location. I have attached hereto a topographic map with the orthodox location window drawn in. As you can see, the terrain in this area is steep and rough and allows limited access. The only potential legal location up on top was eliminated by archeological sites found between the two existing wells located southwest of Energen's proposed location. The other potential legal location on the trail down below and west of Energen's proposed location is too narrow and rocky to be safe.

A copy of this application is being sent to all affected owners by certified mail-return receipt request with a request that they furnish your office in Santa Fe a Waiver of Objection within twenty (20) days of receipt of this application.

Attached is a well location plat showing dedicated acreage (C-102), a plat showing the offsetting spacing units and Fruitland Coal wells, if any, and a topographic map.

Your favorable consideration of this request would be appreciated.

Sincerely,

District Landman

OIL CONSERVATION

DIVISION

1625 N. French Dr., Hobbs, N.M. 88240

State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised August 15, 2000

DISTRICT II 811 South First, Artesia, N.M. 88210

1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

DISTRICT III

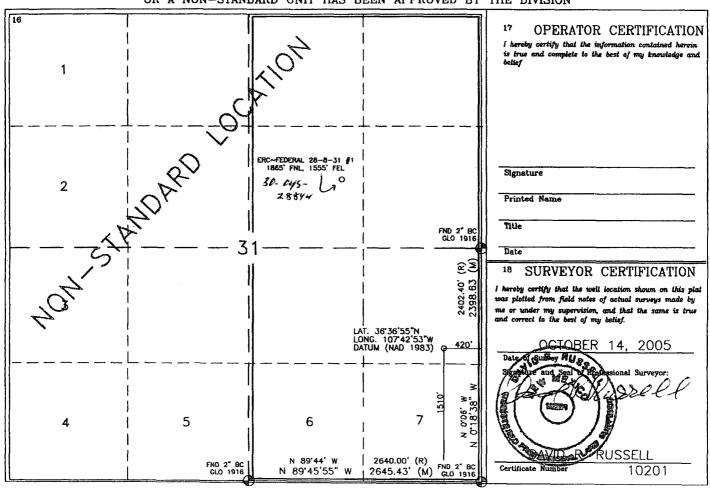
DISTRICT IV 2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number				² Pool Code		Pool Name UP FRUITLAND COAL				
⁴ Property Code					⁵ Property	erty Name			Well Number	
			FEDERAL 28-8-31					1\$		
OGRID No.					⁹ Elevation					
			ENERGEN RESOURCES CORPORATION						6726'	
					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	
<u> </u>	3.1	28N	W8		1510'	SOUTH	420'	EAST	SAN JUAN	
			11 Botte	om Hole	Location I	f Different Fr	om 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			13 Joint or Infill		¹⁴ Consolidation Code		15 Order No.			
305.00 Acres - (E/2)										
NO ALLOW	ABLE W			TO THI		ON UNTIL ALL	INTERESTS I	HAVE BEEN C	ONSOLIDATE	

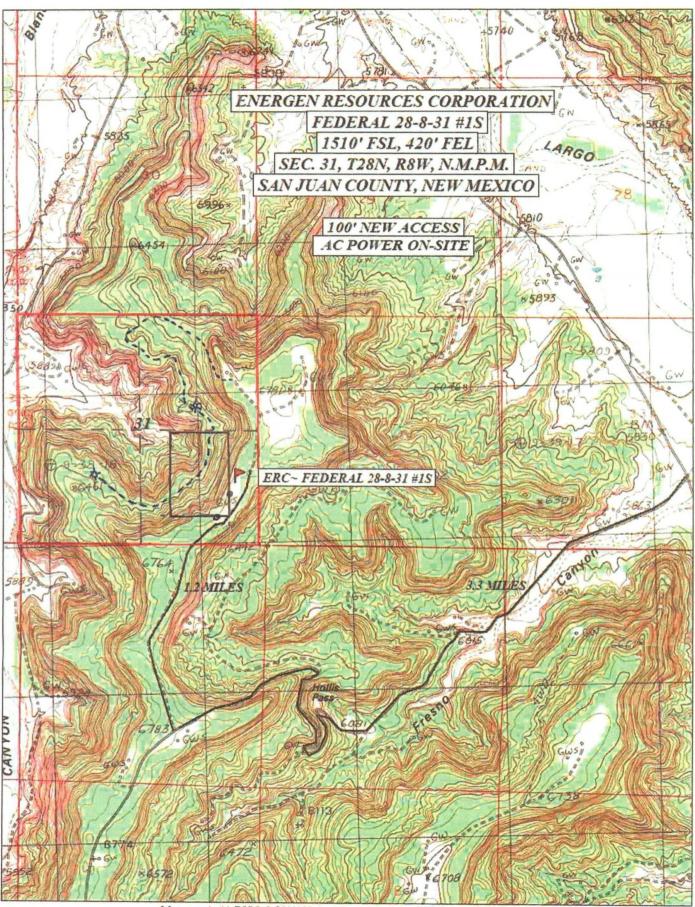
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



Federal 28-8-31 #1S BASIN FRUITLAND COAL

1510' FSL and 420' FEL Sec. 31-28N-8W San Juan County, New Mexico Affected Owners and Offset Spacing Unit Plat

			•	
Fed 28-8-30 #1	Fed 28-8-30 #2	Fed 28-8-29 #2		
Fed 28-8-30 #1S		Fed 28-8-29 #2S		
Energen Res.	Energen Res.	Energen Res.		
BP America	BP America	BP America		
				Т
W/2 30	E/2 30	W/2 29		•
	Federal 28-8-31 #1			28
	Federal 28-8-31 #1S	,		20
	ederal 20-0-31 #10	'		N
				IN
5 D	F	E 4000/		
Energen Res.	Energen Res.	Energen 100%		
BP America	BP America			
	100% Fed. Mins.	100% Fed. Mins.		
	42	r		
	9			
	510	1		
	`			
W/2 22		W/2 32		
No Fruitlan	d Coal wells	Fila	n #8	
хто		Burlington Res.		
			N/2 5	
				
		8W		
				Т
				•
	All Sec. 6			27
		I		~1



Map created with TOPO! \$ \$2003 National Geographic (www.nationalgeographic.com/topo)