

6/11/01	7/2/01	DC	KV	DHC
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116550830

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

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] 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

[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 further verify that all applicable API Numbers are included. 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

Vicki Donaghey Vicki Donaghey Production Assist 6-7-01
Print or Type Name Signature Title Date



May 25, 2001

Ms. Lori Wrotenbery
NMOCD
1220 South ST. Francis Drive
Santa Fe, New Mexico 87504

RE: Administrative Approval to Downhole Commingle
Energen Resources Corporation
San Juan 30-4 Unit #42A
1189' FSL, 1133' FEL, Sec. 19, T30N, R4W, N.M.P.M.
Rio Arriba County, New Mexico
API # 30-039-26190

Dear Ms. Wrotenbery:

Energen Resources Corporation requests Administrative Approval to downhole commingle the E Blanco Pictured Cliffs and the Blanco Mesa Verde pools in the subject well. The well is currently producing as a Pictured Cliffs/ Mesa Verde dual completion. The Mesa Verde zone has experienced some sand producing problems, which bridged off the tubing and resulted in perforating the tubing to restore production. Since the wellbore needs to be cleaned out below the packer, it is felt commingling will eliminate excessive operational problems in the future.

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

1. Form C107A – Application for Downhole Commingle
2. C102 – Location plat showing each spacing unit and dedicated acreage
3. Production curves for both the Pictured Cliffs and Mesa Verde
4. Offset operator plat
5. Ownership list of working, royalty and overriding royalty interests

In accordance with New Mexico Oil Conservation Division Rule 303D, all offset operators, working, royalty, and overriding royalty interests are being notified of this application by certified mail. As an offset operator, working, royalty or overriding royalty owner, and you have no objection to this application, you do not have to respond to this notification.

If additional information is needed, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary W. Brink", written over a horizontal line.

Gary W. Brink
Production Superintendent

GWB/vd

cc: NMOCD – Aztec, BLM – Farmington, Offset Operators, Working, Royalty, Overriding Royalty Owners

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

SF-07948-A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or N
San Juan 30-4 Unit

8. Well Name and No.

San Juan 30-4 Unit 42A

9. API Well No.

30-039-26190

10. Field and Pool, or Exploratory Area

E. Blanco PC/ Blanco MV

11. County or Parish, State

Rio Arriba NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

ENERGEN RESOURCES CORPORATION

3a. Address

2198 Bloomfield Highway, Farmington, NM 87401

3b. Phone No. (include area code)

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1189' FSL, 1133' FEL, Sec. 19, T30N, R4W, N.M.P.M.

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

☒ Notice of Intent

☐ Subsequent Report

☐ Final Abandonment Notice

TYPE OF ACTION

☐ Acidize

☐ Deepen

☐ Production (Start/Resume)

☐ Water Shut-Off

☐ Alter Casing

☐ Fracture Treat

☐ Reclamation

☐ Well Integrity

☐ Casing Repair

☐ New Construction

☐ Recomplete

☒ Other

☐ Change Plans

☐ Plug and Abandon

☐ Temporarily Abandon

Commingle

☐ Convert to Injection

☐ Plug Back

☐ Water Disposal

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

It is intended to downhole commingle this well as follows:

1. MIRU. TOH and lay down 1 1/2" tubing. Release seal assembly and TOH.
2. TIH and clean out with air mist. Land tubing at 6700'. Install single wellhead and return to production.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Kicki Donaghey

Title

Production Assistant

Date 5/25/01

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

DISTRICT II

811 S. First St., Artesia, NM 88210-2835

DISTRICT III

1000 Rio Brazos Rd, Aztec, NM 87410-1693

DISTRICT IV

2040 S. Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

2040 S. Pacheco
Santa Fe, New Mexico 875054-6429Form C-107-A
Revised March 17, 1999

APPROVAL PROCESS:

☒ Administrative ☐ Hearing

EXISTING WELLBORE

☒ YES ☐ NO

APPLICATION FOR DOWNHOLE COMMINGLING

ENERGEN RESOURCES CORPORATION
Operator2198 Bloomfield Highway, Farmington, NM 87401
Address

San Juan 30-4 Unit

42A

P

Sec 19

30N

4W

Rio Arriba

Lease

Well No.

Unit Ltr. - Sec - Twp - Rge

County

OGRID NO. 162928

Property Code 21994

API NO. 30-039-26190

Spacing Unit Lease Types: (check 1 or more)
Federal ☒ State ☐ (and/or) Fee ☐

The following facts are submitted in support of downhole commingling:	Upper Zone	Intermediate Zone	Lower Zone
1. Pool Name and Pool Code	E Blanco PC 72400		Blanco Mv 72319
2. Top and Bottom of Pay Section (Perforations)	4224-4458'		6091-6816'
3. Type of production (Oil or Gas)	Gas		Gas
4. Method of Production (Flowing or Artificial Lift)	Flowing		Flowing
5. Bottomhole Pressure Oil Zones - Artificial Lift: Gas & Oil - Flowing: All Gas Zones: Estimated Current Measured Current Estimated Or Measured Original	a. (Current) 566 Calc b. (Original) 899 Calc	a. b.	a. 366 Calc b. 612 Calc
6. Oil Gravity (° API) or Gas BTU Content)	1038 BTU		1048 BTU
7. Producing or Shut-In?	Producing		Producing
Production Marginal? (yes or no)	No		No
* If Shut-In, give date and oil/gas/water rates of last production Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data	Date: Rates:	Date: Rates:	Date: Rates:
* If Producing, give date and oil/gas/water rates of recent test (within 60 days)	Date: 5/8/01 Rates: 0/257/.5	Date: Rates:	Date: 5/13/01 Rates: 0/200/1
8. Fixed Percentage Allocation Formula - % for each zone (total of %'s to equal 100%)	Oil: 0 % Gas: 56 %	Oil: % Gas: %	Oil: 0 % Gas: 44 %

9. If allocation formula is based upon something other than current or past production, or is based upon some other method, submit attachments with supporting data and/or explaining method and providing rate projections or other required data.

10. Are all working, overriding, and royalty interests identical in all commingled zones?
If not, have all working, overriding, and royalty interests been notified by certified mail?
Have all offset operators been given written notice of the proposed downhole commingling?☐ Yes ☒ No
☒ Yes ☐ No
☒ Yes ☐ No11. Will cross-flow occur? ☐ Yes ☒ No If yes, are fluids compatible, will the formations not be damaged, will any cross-flowed production be recovered, and will the allocation formula be reliable. ☐ Yes ☐ No (If No, attach explanation)12. Are all produced fluids from all commingled zones compatible with each other? ☒ Yes ☐ No13. Will the value of production be decreased by commingling? ☐ Yes ☒ No (If Yes, attach explanation)14. If this well in on, or communitized with, state or federal lands, either the Commissioner of Public Lands or the United States Bureau of Land Management has been notified in writing of this application. ☒ Yes ☐ No

15. NMOCD Reference Cases for Rule 303(D) Exceptions: ORDER NO(S) _____

16. ATTACHMENTS:

- * C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- * Production curve for each zone for at least one year. (If not available, attach explanation.)
- * For zones with no production history, estimated production rates and supporting data.
- * Data to support allocation method or formula.
- * Notification list of all offset operators.
- * Notification list of working, overriding, and royalty interests for uncommon interest cases.
- * Any additional statements, data, or documents required to support commingling.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

TITLE Prod. Superintendent DATE 5/24/01TYPE OR PRINT NAME Gary W. BrinkTELEPHONE NO(505) 325-6800

District I
1901 Box 1980, Hobbs, NM 88241-1980
District II
811 South First, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-102
Revised October 18, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-039-26190	² Pool Code 72400/72319	³ Pool Name EAST BLANCO PICTURED CLIFFS/BLANCO MESAVERDE
⁴ Property Code 21994	⁵ Property Name SAN JUAN 30-4 UNIT	⁶ Well Number 42A
⁷ OGRID No. 162928	⁸ Operator Name TAURUS EXPLORATION	⁹ Elevation 7463

¹⁰ Surface Location

UL or lot no. P	Section 19	Township 30N	Range 4W	Lot Idn	Feet from the 1189	North/South line SOUTH	Feet from the 1133	East/West line EAST	County RIO ARriba
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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
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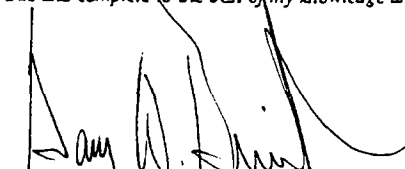
¹² Dedicated Acres 160/320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16	LOT 1	WEST 4448.40	19	N 00° 06' W 5280.00	1189'	1133'	4453.68
	LOT 2						
	LOT 3						
	LOT 4						
NORTH 5254.92		R. 5 N. R. 4 W.					

¹⁷ OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.



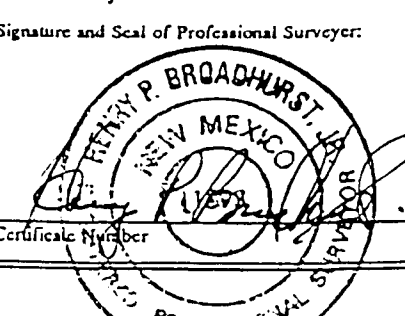
Signature
Gary W. Brink
Printed Name
Production Superintendent
Title
3/4/00
Date

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.

4-29-98
Date of Survey

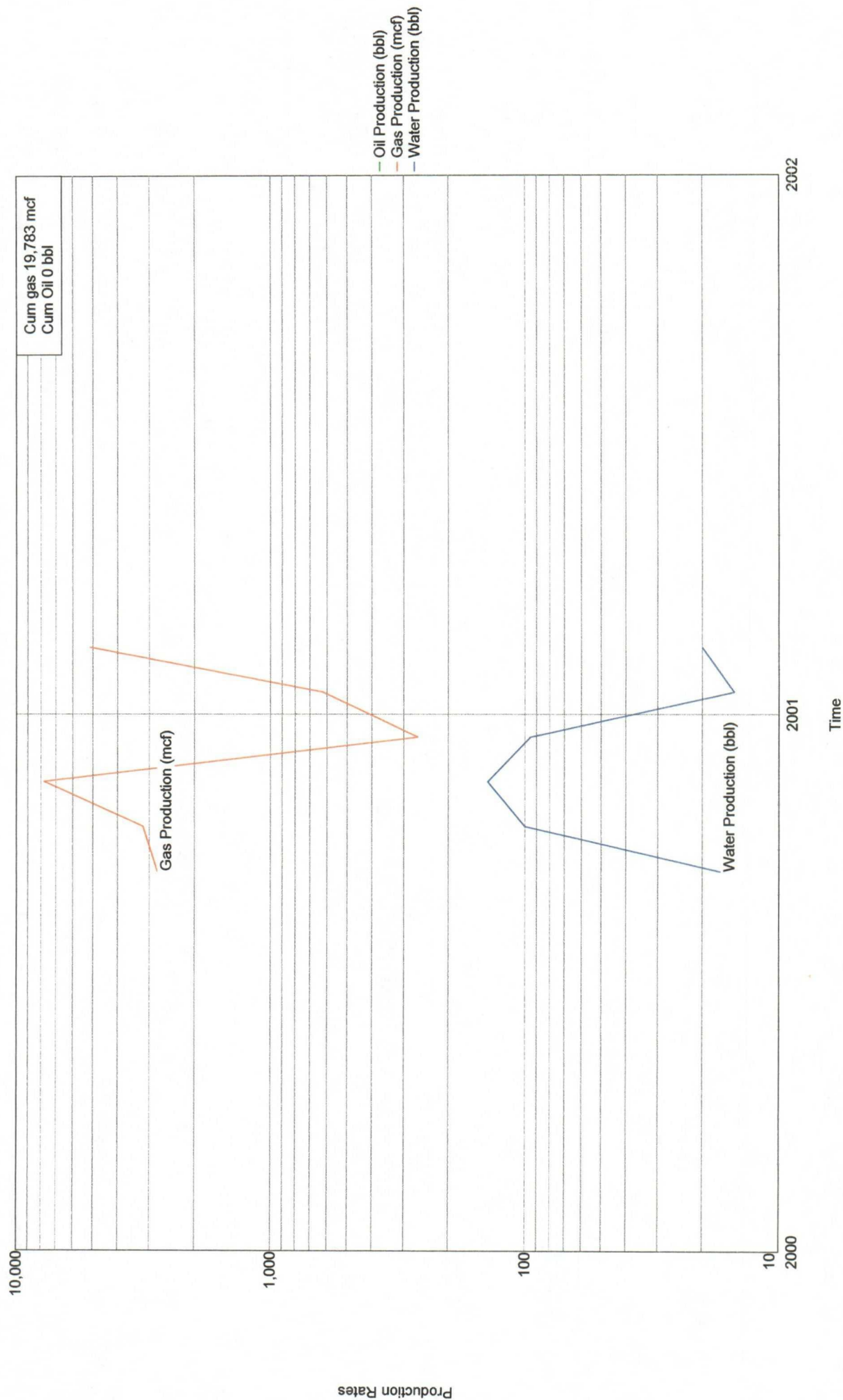
Signature and Seal of Professional Surveyor:



Certificate Number

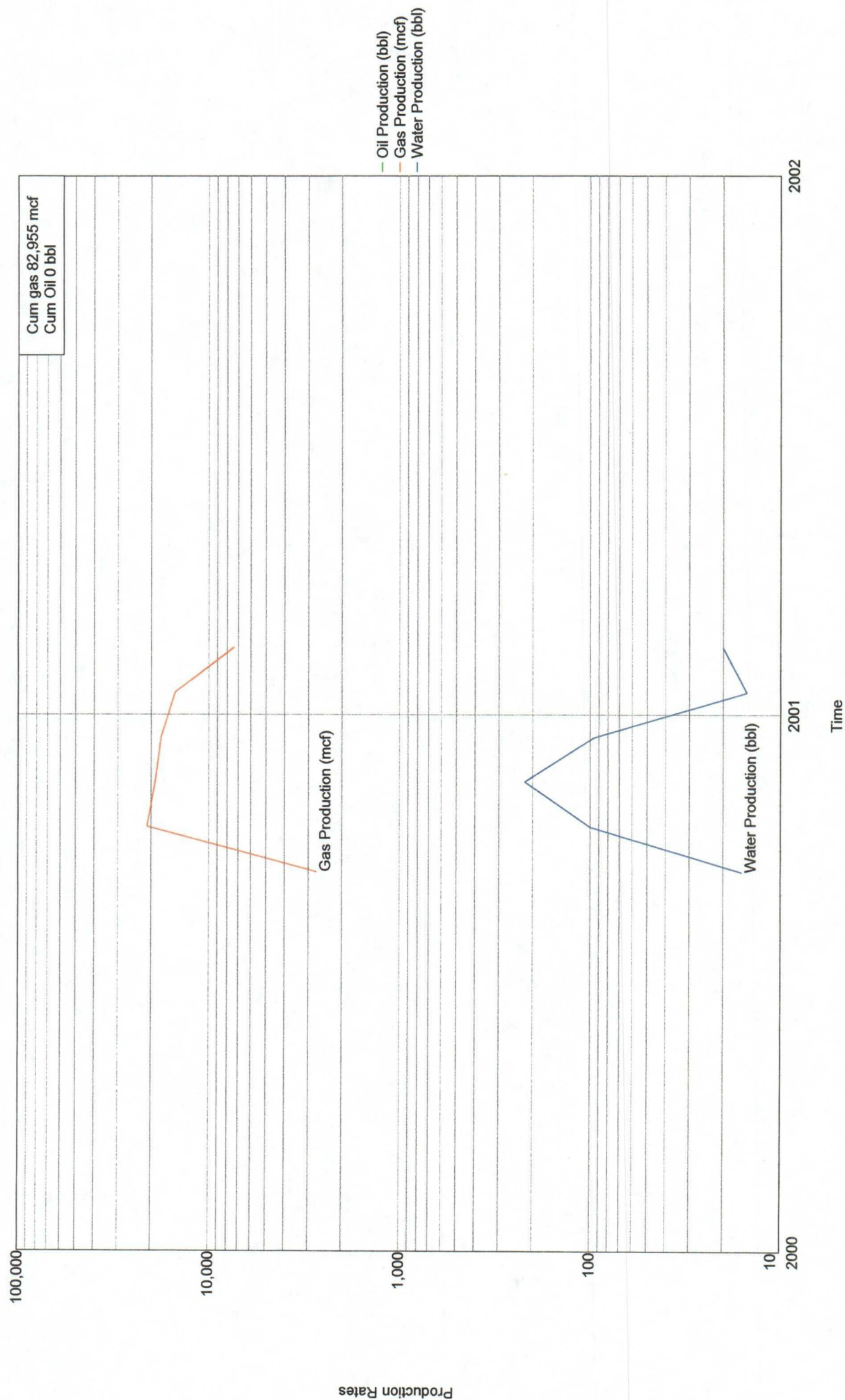
Lease Name: SAN JUAN 30 4 UNIT
County, State: RIO ARBA, NM
Operator: TAURUS EXPLORATION USA INCORPORATED
Field: BLANCO
Reservoir: MESAVERDE
Location: 19 30N 4W NW SE SE

San Juan 30-4 Unit 42A



Lease Name: SAN JUAN 30 4 UNIT
County, State: RIO ARBA, NM
Operator: TAURUS EXPLORATION USA INCORPORATED
Field: BLANCO EAST
Reservoir: PICTURED CLIFFS
Location: 19 30N 4W NW SE SE

San Juan 30-4 Unit 42A



Energen Resources Corp.

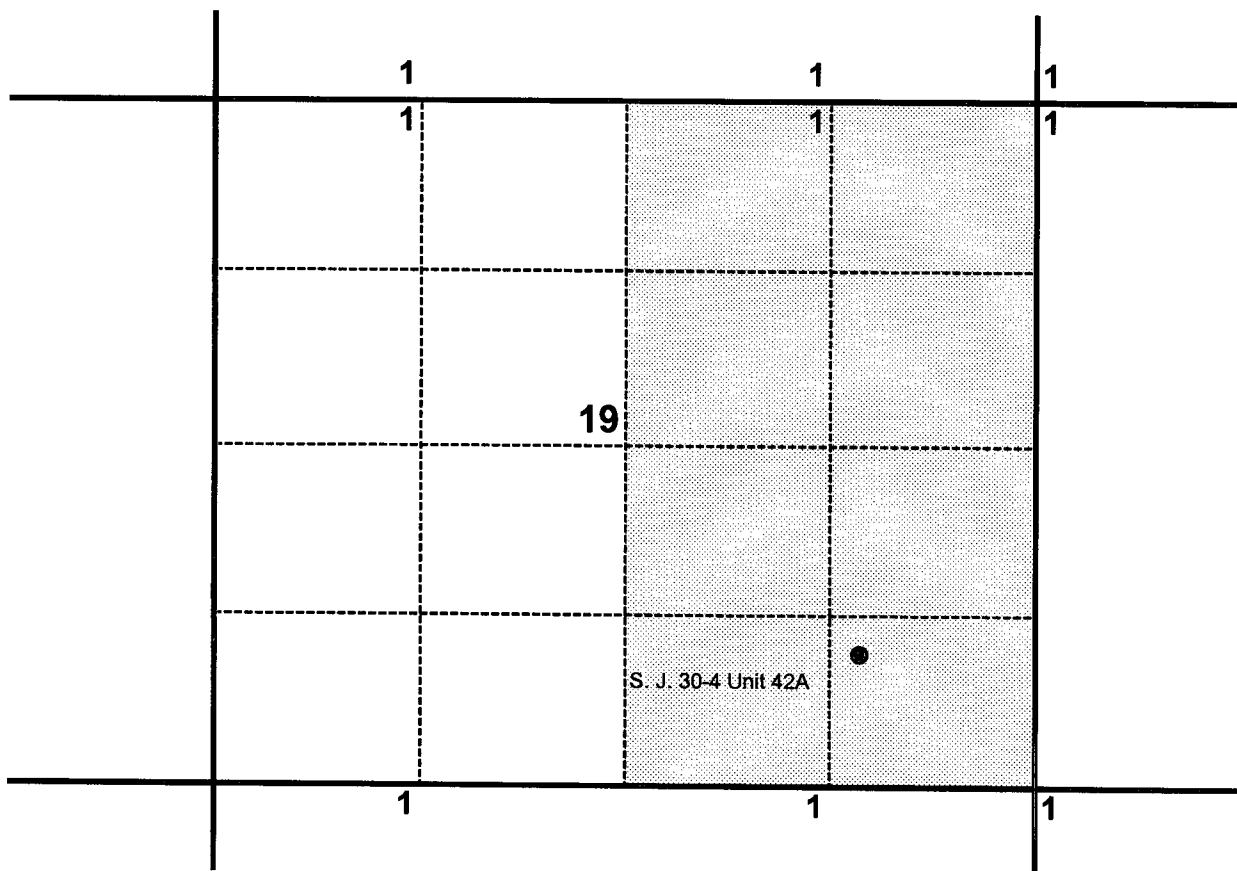
San Juan 30-4 Unit 42A

Offset Operator / Ownership Plat

E. Blanco Pictured Cliffs/ Blanco Mesa Verde

Downhole Commingling

Township 30 N, Range 4 W



1) Energen Resources

DIR LISTING for Rich Corcoran, from process LD0110 (P12832)

LDO Master Owner Display

#	Owner...	Name.....	Type	Gross	Wkng	Int	Net	Rev	Int...	Pay
1	20	ENERGEN RESOURCES CORP	NP					0.11837800	X	
2	20	ENERGEN RESOURCES CORP	OR					0.00271942	X	
3	2231	JANE ANN WILLIAMS	OR					0.00046888	M	
4	2302	FREDERICK EUGENE TURNER	OR					0.00019456	M	
5	2307	J GLENN TURNER JR	OR					0.00019456	M	
6	2345	ELIZABETH JEANNE CALLO	OR					0.00019456	M	
7	2465	JOHN LEE TURNER	OR					0.00019456	M	
8	2631	WILLIAM G WEBB	OR					0.00004096	M	
9	30341	CHARLES W GAY	OR					0.00002764	M	
10	30342	LORRAYN GAY HACKER	OR					0.00002764	M	
11	31485	EVELYN G BROWN TRUST	OR					0.00023534	M	
12	31486	ALGERNON W BROWN TRUST	OR					0.00056059	M	
13	3587	DEVON ENERGY CORP NEW	OR					0.00079592	M	
14	3820	JAMES M RAYMOND	OR					0.00055272	M	
15	3956	W G PEAVY OIL COMPANY	OR					0.00081919	M	
16	4165	DUGAN PRODUCTION CORPO	OR					0.00079593	M	
17	4188	MAR OIL & GAS CORP., I	OR					0.00189506	M	
18	4555	EJ E BROWN COMPANY	OR					0.00079593	M	
19	4597	MAYDELL MILLER MAST TR	OR					0.00005527	M	
20	5735	T H MCELVAIN OIL & GAS	OR					0.00331635	M	
21	5949	RUTH ZIMMERMAN TRUSTEE	OR					0.00026531	M	
22	6000	ROMERO FAMILY LTD PART	OR					0.00052851	M	
23	6085	THELMA POOL REV MARITA	OR					0.00079592	M	
24	6086	HAROLD O POOL TRUST	OR					0.00079593	M	
25	6282	ROBERT & FRANCES TINNI	OR					0.00019898	M	
26	6719	BURLINGTON RESOURCES,	OR					0.00132654	M	
27	70341	CHARLES W GAY	PP					0.00000771	M	
28	70342	LORRAYN GAY HACKER	PP					0.00000771	M	
29	3820	JAMES M RAYMOND	PP					0.00015414	M	
30	4597	MAYDELL MILLER MAST TR	PP					0.00001542	M	
31	4729	MARIA M RIBERA	RY					0.00243302	M	
32	3140	MINERALS MANAGEMENT SE	RY					0.12235860	A	
33	4892	RICHARD WILLIAM SIMMS	RY					0.00010419	M	
34	4893	MARY SIMMS SCHUTZ	RY					0.00010419	M	
35	20	ENERGEN RESOURCES CORP	RI					0.85121301	X	
36	30341	CHARLES W GAY	RI					0.00025960	M	
37	30342	LORRAYN GAY HACKER	RI					0.00025960	M	
38	31485	EVELYN G BROWN TRUST	RI					0.00296076	M	
39	31486	ALGERNON W BROWN TRUST	RI					0.00705260	M	
40	3587	DEVON ENERGY CORP NEW	RI					0.00747652	M	
41	3820	JAMES M RAYMOND	RI					0.00519203	M	
42	4165	DUGAN PRODUCTION CORPO	RI					0.00747652	M	
43	4188	MAR OIL & GAS CORP., I	RI					0.01780125	M	
44	4555	EJ E BROWN COMPANY	RI					0.01001336	M	
45	4597	MAYDELL MILLER MAST TR	RI					0.00051920	M	
46	5735	T H MCELVAIN OIL & GAS	RI					0.05229245	M	
47	5949	RUTH ZIMMERMAN TRUSTEE	RI					0.00249217	M	
48	6085	THELMA POOL REV MARITA	RI					0.01001336	M	
49	6086	HAROLD O POOL TRUST	RI					0.01001336	M	
50	5282	ROBERT & FRANCES TINNI	RI					0.00250334	M	
51	6719	BURLINGTON RESOURCES,	RI					0.01246087	M	
52										
53		Totals:						1.00000000		1.00000000

Totals:

1.00000000 1.00000000

Well Name	Well N	Pool Nm	MO	YR	gas	oil	wtr	pi	press
SAN JUA	042A	BLANCO PICTURED CLIFF	9	2000	2717	0	16	P	0
SAN JUA	042A	BLANCO PICTURED CLIFF	10	2000	21027	0	100	P	0
SAN JUA	042A	BLANCO PICTURED CLIFF	11	2000	19078	0	220	P	0
SAN JUA	042A	BLANCO PICTURED CLIFF	12	2000	17751	0	95	P	0
SAN JUA	042A	BLANCO PICTURED CLIFF	1	2001	15031	0	15	P	0
SAN JUA	042A	BLANCO PICTURED CLIFF	2	2001	7351	0	20	P	0
SAN JUA	042A	BLANCO-MESAVERDE (P	8	2000	0	0	0	P	0
SAN JUA	042A	BLANCO-MESAVERDE (P	9	2000	2793	0	17	P	0
SAN JUA	042A	BLANCO-MESAVERDE (P	10	2000	3179	0	100	P	0
SAN JUA	042A	BLANCO-MESAVERDE (P	11	2000	7782	0	140	P	0
SAN JUA	042A	BLANCO-MESAVERDE (P	12	2000	263	0	95	P	0
SAN JUA	042A	BLANCO-MESAVERDE (P	1	2001	623	0	15	P	0
SAN JUA	042A	BLANCO-MESAVERDE (P	2	2001	5143	0	20	P	0

days
30
31
30
31
31
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31
30
31
31
28

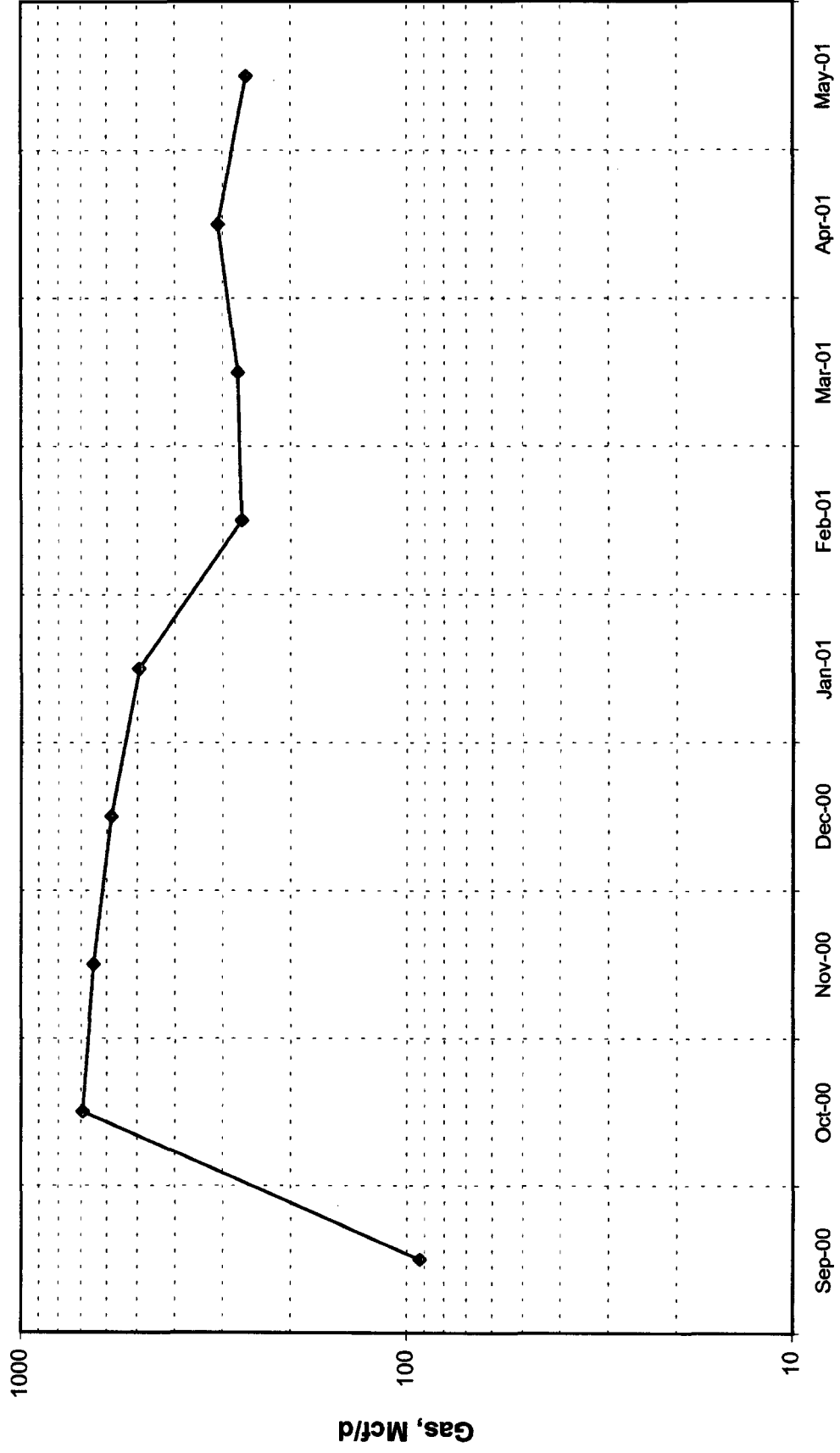
$$82955/181 = 458 \text{ MCF/12}$$

$$19783/181 = 109 \text{ MCF/12}$$

SJ30-4#42A Production History

[illegible]

San Juan 30-4 #42A Pictured Cliffs Production History



San Juan 30-4 #42A Mesaverde Production History

