

DATE IN <b>9.12.11</b>	SUSPENSE	ENGINEER <b>DB</b>	LOGGED <b>9.12.11</b>	TYPE <b>1125549288</b>
------------------------	----------	--------------------	-----------------------	------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**

- Engineering Bureau -

Carracas 15 A # 11H

RECEIVED OCD  
ENERGER  
162928

**ADMINISTRATIVE APPLICATION COVERSHEET**

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

201139

**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   ☒ [X] 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] ☒ [X] Working, Royalty or Overriding Royalty Interest Owners  
☐ [B] ☒ [X] 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.

David M. Poage  
Print or Type Name

*David M. Poage*  
Signature

District Landman  
Title

9/09/11  
Date



CERTIFIED MAIL-RECEIPT REQUESTED

7009 2820 0000 69108952

September 9, 2011

Ms Jami Bailey  
Division Director  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, NM 87505

RE: Application of Energen Resources Corporation for Administrative Approval of the Simultaneous Dedication of the South-Half of Section 15, Township 32 North, Range 5 West, N.M.P. M., Rio Arriba County, New Mexico to its existing Carracas 15 A #11H Well and the Carracas 15 A # 16 Well.

Dear Ms. Bailey:

Energen Resources Corporation is the operator of a 320.00 acre spacing unit in the Basin Fruitland Coal Pool (**Pool Code 71629**) comprised of the South-half of Section 15, Township 32 North, Range 5 West, N.M.P.M., Rio Arriba County, New Mexico. This spacing unit is dedicated to Energen's Carracas 15 A # 16 which was directionally drilled and is capable of production from the Fruitland Coal formation.

Energen seeks administrative approval of the simultaneous dedication of this 320.00 acre spacing unit to the following two gas wells:

A. the **Carracas 15 A # 16 well (API No. 30-039-24441)** directionally drilled from a surface location 200' FSL and 500' FEL of Section 15 pursuant to Order DD-35 and

B. the horizontally drilled **Carracas 15 A # 11H well (API No. 30-039-30469)** which was horizontally drilled from a surface location 120' FSL and 440' FEL of Section 15 to a proposed bottom hole location 888' FSL and 58' FWL of Section 15. The entry point was at 298' FSL and 1,449' FEL of Section 18.

Neither well violates the existing set back requirements for these wells. This area has a 10' setback pursuant to R-13199.

Attached hereto for each well is a copy of Division Form C-102 for these wells that show the surface and bottom hole locations of each well. In addition also enclosed is a map of the offset operators of all offsetting spacing units. Energen Resources is the operator of all offsetting spacing units and owns 100% of the working interest in all offsetting spacing units.

Since Energen is the only party required to be furnished a Notice to offset operators none is being attached to this application.

The simultaneous dedication of the East-Half of said Section 18 to the Carracas 18 B # 15 and the Carracas 18 B # 1H wells will afford Energen the opportunity to efficiently produce the Fruitland Coal formation under this spacing unit. Energen's proposed simultaneous dedication of these wells does not exceed the number of wells allowed by division Rule for this spacing unit.

Your attention to this application is appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "David M. Poage". The signature is fluid and cursive, with the first name "David" being more prominent.

David M. Poage

District Landman

Energen Resources Corporation

Enclosures

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT

OIL COMPLETION DIVISION  
P. O. BOX 2088  
SANTA FE, NEW MEXICO 87501

Form C-102  
Revised 10-1-78

All distances must be from the outer boundaries of the Section.

Operator Nassau Resources, Inc.			Lease Carracas Unit 15 A			Well No. 16		
Unit Letter P	Section 15	Township 32 North	Range 5 West	County Rio Arriba				
Actual Footage Location of Well: 200 feet from the South line and 500 feet from the East line								
Ground Level Elev. 7220	Producing Formation Fruitland		Pool Basin Fruitland Coal			Dedicated Acreage 320 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☒ Yes ☐ No If answer is "yes," type of consolidation Carracas Unit - Unitization

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Division.

RECEIVED BIRMINGHAM ROOM 88 DEC 14 PM 1:36 FARMINGTON RESOURCE AREA FARMINGTON, NEW MEXICO		SECTION 15	
NM 29341 Moco Production Co.		NM 30351 Kindermac Partners	

CERTIFICATION

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

*Fran Perrin*

Name

Fran Perrin

Position

Admin. Asst.

Company

Nassau Resources, Inc.

Date

12/8/88

I hereby certify that the information shown on this plat was obtained from field notes and/or other reliable sources and is true and correct to the best of my knowledge and belief.



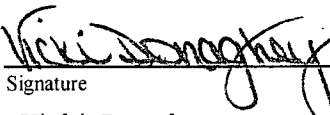
Date Surveyed

August 25, 1988

Registered Professional Engineer and/or Land Surveyor

*Edgar L. Risenhoover*

Certificate No. 5979

<div>16</div>				<div>17 OPERATOR CERTIFICATION</div> <p>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.</p> <div><div></div><div>07/14/09</div></div> <div>Signature</div> <div>Date</div> <div><u>Vicki Donaghey</u></div> <div>Printed Name</div>
<div>888'</div> <div>BHL</div>	<div>15</div> <div>SP: 298' FSL</div> <div>1449' FEL</div>		<div>94'</div> <div>440'</div> <div>160'</div>	<div>18 SURVEYOR CERTIFICATION</div> <p>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.</p> <div>October 13, 2005</div> <div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor:</div> <div>Original Survey conducted and recorded by: David R. Russell</div> <div>10201</div> <div>Certificate Number</div>

