

Susana Martinez

Governor

John H. Bemis Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

Jami Bailey Division Director Oil Conservation Division



November 14, 2011

Energen Resources Corporation Attn: Ms. Gillian Black

Administrative Order NSL-6500 Administrative Application Reference No. pTWG11-25958531

Energen Resources Corporation OGRID 162928 Jicarilla 119N Well No. 4N API No. 30-039

Proposed Location:

<u>Footages</u>	Unit	Section	<u>Township</u>	Range	County
911 FSL & 571 FEL	P	6	26N	4W	Rio Arriba

Proposed Unit:

Description	Acres	Pool(s)	Pool Code
Lots 1 & 2, S2/NE4 and	322.76	Blanco Mesaverde Gas Pool	72319
SE/4 [E/2 equivalent] of		Basin Dakota Gas Pool	71599
Section 6			

Reference is made to your application received on September 16, 2011.

You have requested to drill or re-complete this well at an unorthodox gas well location described above, in the referenced pools or formations. This location is governed by the Special Rules and Regulations for the above-named pools, which provides for 320-acre, more or less, units, with wells located at least 660 feet from a unit outer boundary. This location is less than 660 feet from a unit boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

It is our understanding that you are seeking this location for topographic reasons.

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It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 4.12.A(2), in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.5.9 NMAC].

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Jami Bailey Director

JB/db

cc: New Mexico Oil Conservation Division – Aztec United States Bureau of Land Management