

DATE IN 12/08/2015	SUSPENSE	ENGINEER MM	LOGGED IN 12/09/2015	TYPE NSL	APP NO. P44M1534351243
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ABOVE THIS LINE FOR DIVISION USE ONLY

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



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-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
 X 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 _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply
- [A] ☐ 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] **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.

J. Scott Hall Montgomery & Andrews, P.A.		Attorney	12/8/2015
Print or Type Name	Signature	Title	Date
		shall@montand.com	
		e-mail Address	



**MONTGOMERY
& ANDREWS**
LAW FIRM

J. SCOTT HALL
Cell: (505) 670-7362
Email: shall@montand.com
www.montand.com

RECEIVED OGD

December 8, 2015

2015 DEC -8 P 2:35

David Catanach, Director
New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87501

HAND-DELIVERED

**Re: Energen Resources Corporation
Request for Amendment to Administrative Order NSL-7312
Unorthodox Well Location
Basin-Mancos Gas Pool (97565)

Richardson Navajo 27-13-10 Well No. 4-H (Horizontal)
API No. 30-045-35242
S/2 Section 10, T27N, R13W (Project Area)
1282' FSL and 1386' FWL (N), Section 11 (Surface)
Completed Interval (Amended) 390' FSL and 369' FSL
to 386' FSL and 352' FWL, Section 10
T27N, R13W, NMPM
San Juan County, New Mexico**

Dear Mr. Catanach:

On behalf of Energen Resources Corporation, we request an amendment to Administrative Order NSL-7312 issued on June 23, 2015 which authorized a Final Perforation for the Richardson Navajo 27-13-10 Well No. 4H at a location 380' from the south line and 380 from the west line in unit M of Section 10, Township 27 North, Range 13 West, NMPM in San Juan County. Energen now seeks approval for a final perforation point 386' from the south line and 352' from the west line of Section 10.

In its original administrative application received by the Division on May 27, 2015, Energen sought an exception from the 660' well location setback rules for gas wells established under the special pool rules for the Basin-Mancos Pool. Included with the request was a memorandum by Energen's Manager of Geologic Assets both requesting and supporting 330' setbacks. The application also

REPLY TO:

325 Paseo de Peralta
Santa Fe, New Mexico 87501
Telephone (505) 982-3873 • Fax (505) 982-4289

Post Office Box 2307
Santa Fe, New Mexico 87504-2307

David Catanach, Director
December 8, 2015
Page 2

stated the completed interval would be 380' from the south line and 380 feet from the east line. A subsequent Sundry Notice and amended C-102 well location plat received by the Division on October 15, 2015 noted the change of the bottom hole location to 380' from the south and west lines to 380' from the south line and 330' from the west line. Copies of these reports are attached as Exhibit "A". The well has recently been drilled and as reflected by that memorandum from Energen's drilling department dated December 7, 2015 (Exhibit "B") it has been determined that the Final Perforation point is located 386' from the south line and 352 feet from the west line of Section 10. As described in the caption to this request, the well's Completed Interval will be located entirely within the Producing Area for the Project Area that would be established with 330' setbacks. The well otherwise complies with statewide locational rules applicable to oil wells. The well location is also consistent with the widely accepted development pattern for horizontal and vertical Mancos oil wells in the San Juan Basin.

In accordance with Division Rule 19.15.4.12 A(2) notification is being provided to those offset interest owners or operators in adjoining spacing units reflected on Exhibit "C".

The Division's Administrative Application Checklist is enclosed and for reference, a copy of Administrative Order NSL-7312 is also enclosed.

Thank you for your consideration of this request. Should more information be required, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "J. Scott Hall", written in a cursive style.

J. Scott Hall

Enclosures

cc: Dean Price, Energen Resources – Farmington (via email, w/encs.)

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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 August 1, 2011
Submit one copy to
appropriate
District Office

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045-35242		*Pool Code 97232	*Pool Name BASIN MANCOS
*Property Code 314806	*Property Name RICHARDSON NAVAJO 27-13-10		*Well Number 04H
*OGRID No. 162928	*Operator Name ENERGEN RESOURCES CORPORATION		*Elevation 5922

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
N	11	27-N	13-W		1282'	SOUTH	1386'	WEST	SAN JUAN

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
M	10	27-N	13-W		380'	SOUTH	330	WEST	SAN JUAN

¹² Dedicated Acres 320 Acres S/2 SEC 10	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

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BOTTOM HOLE:
LAT: 36.58357°N-NAD 83
LONG: 108.21440°W-NAD 83
LAT: 36.58356°N-NAD 27
LONG: 108.21377°W-NAD 27

ENTRY POINT:
LAT: 36.58356°N-NAD 83
LONG: 108.19866°W-NAD 83
LAT: 36.58356°N-NAD 27
LONG: 108.19803°W-NAD 27

SURFACE HOLE LOCATION:
LAT: 36.586035°N-NAD 83
LONG: 108.192817°W-NAD 83
LAT: 36.58603°N-NAD 27
LONG: 108.19219°W-NAD 27

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 _____ Date _____

Printed Name _____

E-mail Address _____

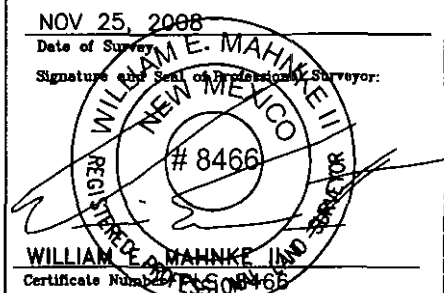
¹⁸ SURVEYOR CERTIFICATION

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.

NOV 25, 2008

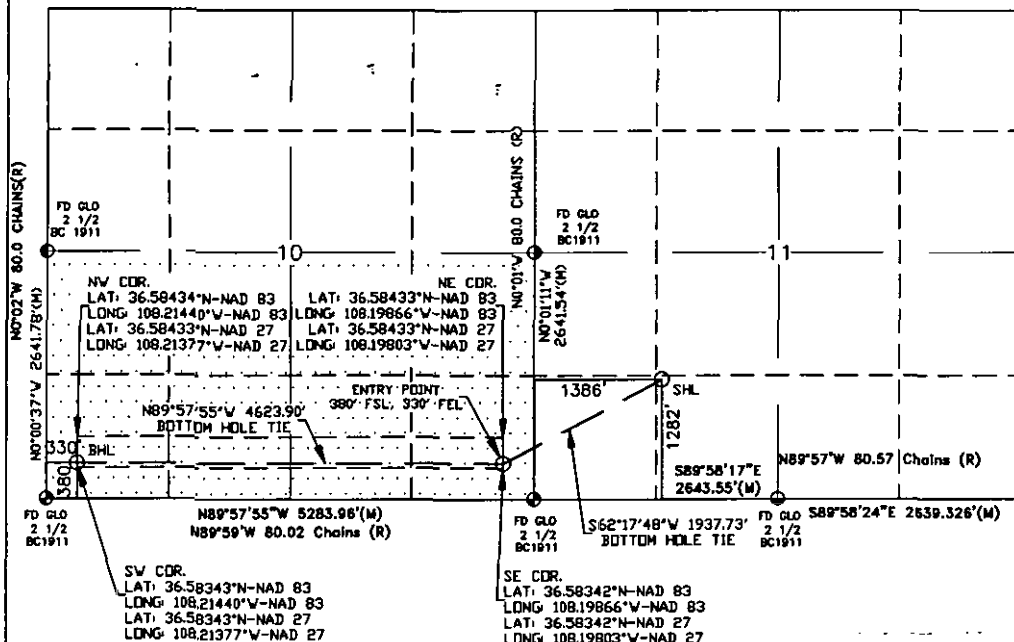
Date of Survey

Signature and Seal of Registered Surveyor:



Certificate Number 27-13-10-04H

EXHIBIT A



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

TIGHT HOLE

FORM APPROVED
OMB NO. 1004-0137
Expires July 31, 2010

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.

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Energen Resources Corporation

Farmington Field Office
Bureau of Land Management

3a. Address

2010 Afton Place, Farmington, NM 87401

3b. Phone No. (include area code)

(505) 325-6800

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

1282' FSL 1386' FWL, Sec 11 T27N R13W (N) SE/SW
380' FSL 330' FWL, Sec 10 T27N R13W (N) SW/SW

OIL CONS. DIV DIST. 3

OCT 16 2015

5. Lease Serial No.

NNSF077972

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Richardson Navajo 27-13-10

9. API Well No.

30-045-35242

10. Field and Pool, or Exploratory Area

Basin Mancos

11. County or Parish, State

San Juan NM

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

- | | | | |
|--|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| <input checked="" type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> 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 recomple 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 recompletion 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.)

Energen Resources would like to request the following changes to the well design for the subject well.

-Change the proposed TD to 5409' TVD/11090' MD from 5407' TVD/10786' MD.

-Change 9-5/8" Surface csg set depth to 320' MD/TVD from 300' MD/TVD and increase cement to 170 sks.

-Change 7.0" Intermediate csg set depth to 6365' MD/5409' TVD from 6264' MD/5407' TVD and increase the cement to 670 sks lead and decrease the tail to 90 sks.

-Change 4-1/2" Production liner set depth to 6165'-11090' MD/5409'-5319' TVD/6100'-10786'/5407' MD. This is approval or acceptance of this action does not relieve the lessee and operator from obtaining any other AUTHORIZATION REQUIRED FOR OPERATIONS ON FEDERAL AND INDIAN LANDS

-Change BHL footage to 380' FSL 330' FWL from 380' FSL 380' FWL.

-Drill thru in a manner to achieve an optimal departure to log and

-Plug back the drill thru to a KOP of 4150' MD.

-Build and land curve.

-Perform plug back as per attached sheet to previously bound stipulations.

* The new drilling plans depicting the casing changes and the directional design is attached showing the revisions along with an amended C-102 and plug back information.

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

Anna Stotts

Title

Regulatory Analyst

Signature

Date

9/30/15

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Abdelgadir Elmadani

Title

PE

Date

10/09/15

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

FFO

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NMOG

December 7, 2015

From: Gary Brink 
VP – San Juan Basin Operations

To: Dean Price
District Landman, Farmington

RE: Richardson Navajo 27-13-10 #4H
S/2 Section 10: T27N-R13W
San Juan County, New Mexico

The well has been drilled and is presently undergoing completion. It has been determined that the final perforation point is located 386' FSL and 352' FWL of Section 10, Township 27 North Range 13 West.

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

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

David R. Catanach, Division Director
Oil Conservation Division



June 23, 2015

Energen Resources Corporation
Attn: Mr. Bryan Lewis

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-7312
Administrative Application Reference No. pJAG1515256507

Energen Resources Corporation
OGRID 162928
Richardson Navajo 27-13-10 Well No. 4H
API No. 30-045-35242

Proposed Location:

	Footages	Unit	Sec.	Twsp	Range	County
Surface	1282` FSL & 1386` FWL	N	11	27N	13W	San Juan
Penetration Point	380` FSL & 380` FEL	P	10	27N	13W	San Juan
Final perforation (Terminus)	380` FSL & 380` FWL	M	10	27N	13W	San Juan

Proposed Project Area:

Description	Acres	Pool	Pool Code
S/2 Section 10	320	Basin Mancos	97232

Reference is made to your application received on May 27, 2015.

You have requested to drill this horizontal well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by the Special Rules for the Basin Mancos Gas Pool, which provides for 320-acre units with wells to be located at least 660 feet from outer unit boundaries, and Rule 19.15.16.14.B (2) NMAC concerning directional wells in designated project areas. This surface location is outside the project area, and is permitted by Rule 19.15.16.15.B (4) NMAC which allows for surface locations outside project area. This location is unorthodox because portions of the proposed completed interval are closer to outside boundaries of the proposed project area than any location that would be a standard location under the applicable pool rules.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC, 19.15.4.12.A(2) NMAC, and 19.15.4.12.A(9) NMAC.

It is our understanding that you are seeking this location in order to gain optimal production from the Basin Mancos Pool.

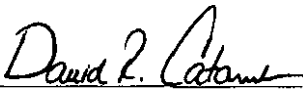
It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 19.15.4.12 (A) 2 NMAC, in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 19.15.15.13 (B) NMAC, 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 19.15.5.9 NMAC.

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

Done at Santa Fe, New Mexico, on June 23, 2015.



DAVID R. CATANACH
Director

DRC/mam

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

EXHIBIT C

NOTICE LIST – TO ALL INTEREST OWNERS

Four Starr Energy
Attn: Steven M. Burr
8235 Douglas Avenue, Suite 525
Dallas, TX 75225

Rocanville Corporation
Attn: Steven M. Burr
8235 Douglas Avenue, Suite 525
Dallas, TX 75225

Chester F. Dolley
523 W. 6th Street
Los Angeles, CA 90014

S. C. Cappel
523 W. 6th Street
Los Angeles, CA 90014

H. W. Reynolds Jr.
136 El Camino
Beverly Hills, CA 90212

Thomas G. Dorough Trust
P. O. Box 9611
Englewood, CO 80150

W. James Saul
390 Denver Club Bldg.
Denver, CO 80202

Stuart Hunt
2424 One Main Street
Dallas, TX 75250

Maralex Resources Inc.
P.O. Box 338
Ignacio, CO 81137

Bureau of Land Management
6251 College Boulevard
Farmington, NM 87401

McMillan, Michael, EMNRD

From: Bryan Lewis <Bryan.Lewis@energen.com>
Sent: Monday, December 28, 2015 9:19 AM
To: McMillan, Michael, EMNRD; Hall, Scott
Cc: Dean Price; Anna Stotts; Theresa McAndrews
Subject: RE: Energen Richardson Navajo 27-13-10 Well No. 4H

The first take point or perf on the referenced well according to the latest C102 as drilled plat that I have which is filed with our Request For Test Allowable form and surveyed on 10/20/2015 is 390 FSL and 369 FEL.

Bryan Lewis
Landman
Phone 505.324.4169
Cell 505.330.0803
Bryan.Lewis@energen.com



From: McMillan, Michael, EMNRD [mailto:Michael.McMillan@state.nm.us]
Sent: Monday, December 28, 2015 8:18 AM
To: Hall, Scott
Cc: Bryan Lewis; Dean Price
Subject: Energen Richardson Navajo 27-13-10 Well No. 4H

Scott:
can you clarify the penetration point for the Energen Richardson Navajo 27-13-10 Well No. 4H?

Thanks

Mike