



April 13, 2007

Certified Mail  
7005 1820 0002 8596 7736

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 #21-1 Well  
760' FSL and 110' FEL – Bottom hole location  
Section 21, T30N, R4W  
Rio Arriba County, New Mexico

Gentlemen:

Energen Resources Corporation (Energen) hereby requests Administrative Approval for an Unorthodox Location of its San Juan 30-4 #21-1 Pictured Cliffs formation well under the provisions of New Mexico Oil Conservation Division, East Blanco Pictured Cliffs Pool rules.

This well is located in the SE/4 of Section 21-T30N-R4W, Rio Arriba County, New Mexico and is dedicated to a spacing unit consisting of the E/2 of Section 17, in the East Blanco Pictured Cliffs gas pool.

This well is located closer than 660' from the eastern proration unit boundary by 550'. This well is within the boundaries of the San Juan 30-4 Unit. This location is being drilled as a horizontal well bore and is situated so that the longest lateral can be accessed. This additional length is required to provide for the potential for the production of the most reserves and the best possible economics for this well. An explanation of this reasoning is attached.

Energen is the owner of all offsetting spacing units, therefore no affected owner letter is being sent out and waivers are required.

Attached is a well location plat showing dedicated acreage (C102), a plat showing the offsetting spacing units and a topographic map.

Your favorable consideration of this request would be appreciated.

Sincerely,



David M. Poage  
District Landman

DISTRICT I  
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

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

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

OIL CONSERVATION DIVISION  
2040 South Pacheco  
Santa Fe, NM 87505

AMENDED REPORT

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name East Blanco Pictured Cliffs
<sup>4</sup> Property Code	<sup>5</sup> Property Name SAN JUAN 30-4 UNIT	
<sup>7</sup> OGRID No.	<sup>6</sup> Operator Name ENERGEN RESOURCES CORPORATION	<sup>8</sup> Well Number 21-1
		<sup>9</sup> Elevation 7609'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	21	30N	4W		2400'	SOUTH	2300'	EAST	RIO ARRIBA

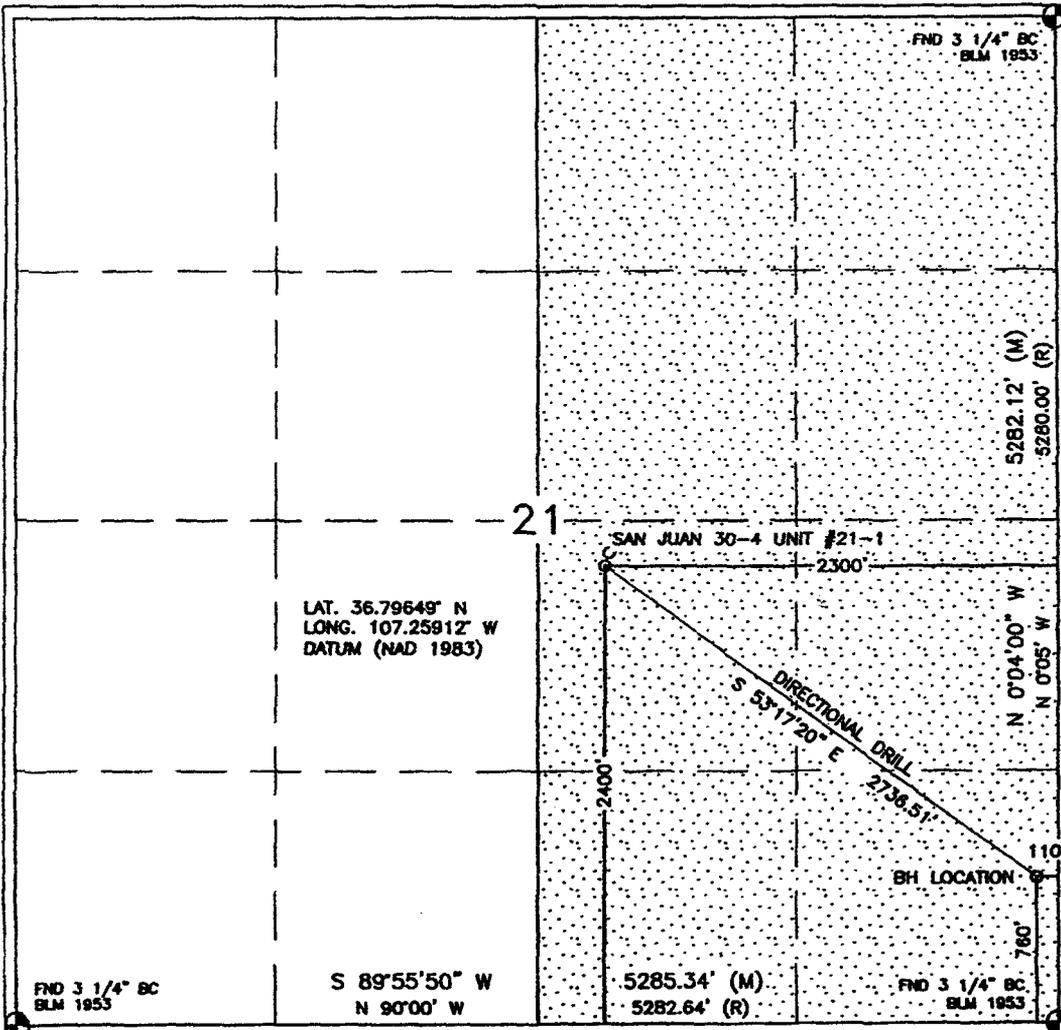
<sup>11</sup> Bottom Hole Location if Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	21	30N	4W		760'	SOUTH	110'	EAST	RIO ARRIBA

<sup>12</sup> Dedicated Acres 320.42 Acres - (E/2)	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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



17 OPERATOR CERTIFICATION

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

*Nathan Smith*  
Signature  
Nathan Smith  
Printed Name  
Drilling Engineer  
Title  
4/4/07  
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.

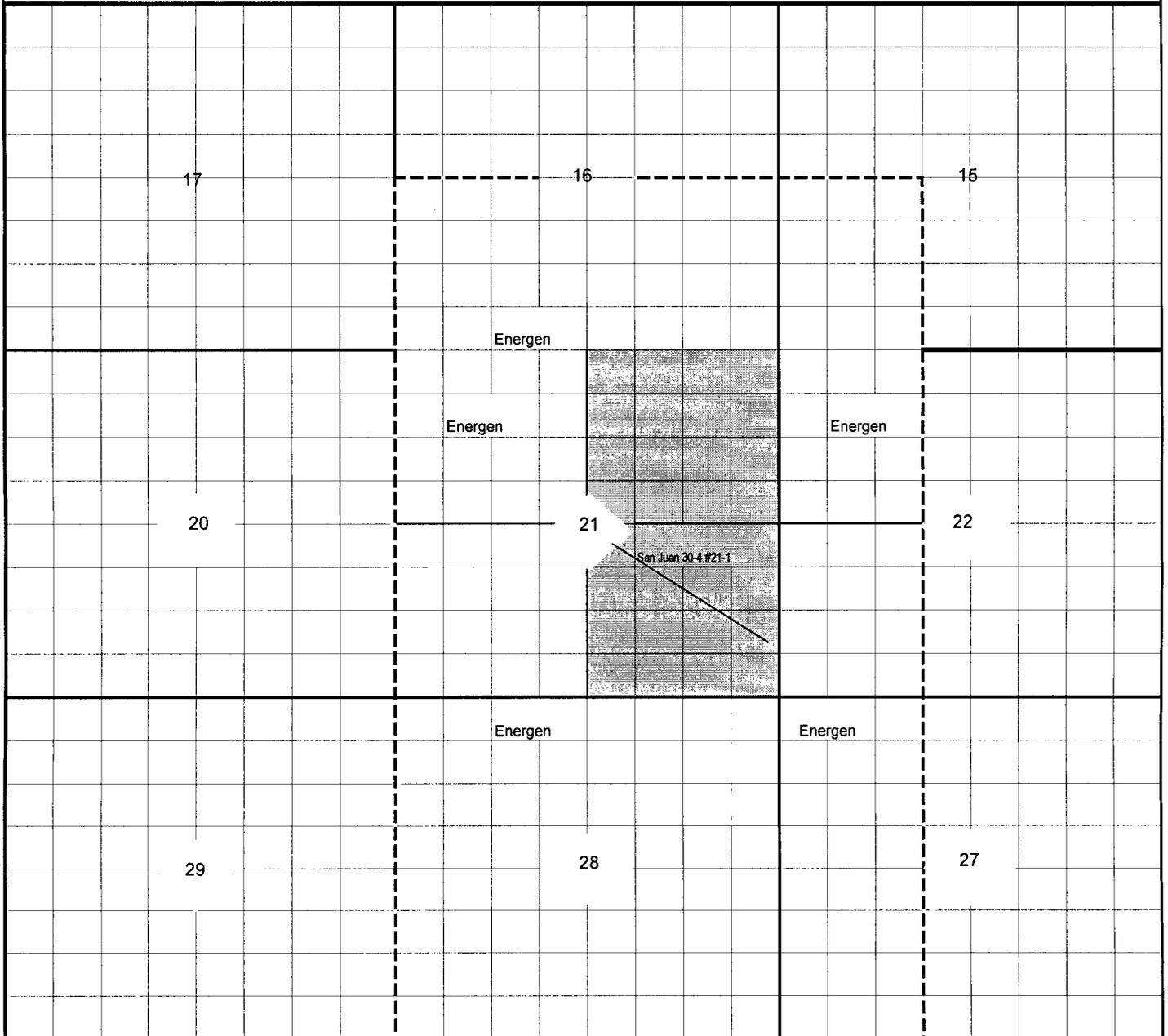
NOVEMBER 20, 2006

Date of Survey  
Signature and Seal of Professional Surveyor:

*David W. Russell*  
DAVID W. RUSSELL  
NEW MEXICO  
REGISTERED PROFESSIONAL LAND SURVEYOR  
18291

DAVID RUSSELL  
Certificate Number 10201

San Juan 30-4 #21-1  
SE/4 Section 21-T30N-R4W  
Rio Arriba County, New Mexico  
Offset Operators Plat





To: NMOCD

From: Greg Jennings  
Geologic Manager  
Western Region

Re: Reduced Setbacks  
Horizontal Pictured Cliffs Pilot Tests  
San Juan 30-4 Unit #48 (se sect 17)  
San Juan 30-4 Unit #21-1 (se sect 21)

Date: 3-12-07

### **Summary**

Energen is proposing to drill the described horizontal Pictured Cliffs pilot tests in the Participating Area of the San Juan 30-4 Unit in 2007. These wells are being drilled in an area where vertical wells have been, on average, uneconomic. In order for these horizontal wells to have a reasonable chance of being economic, the wells need to achieve as much horizontal length as possible, thus we are requesting the reduced setbacks (10' from interior PA boundaries). Due to the common ownership in the PA, correlative rights will be protected. The requested setbacks are consistent with established PA setbacks in the Fruitland Coal and Mesaverde in the other Federal Unit that Energen operates (San Juan 32-5 Unit). The BHL's of the proposed wells will remain 660' from the exterior of the Participating Area.

### **Historical Data**

Energen has drilled 25 Pictured Cliffs wells in the 30N-4W township since 1997. With the exception of a small area on the western side of the township, most of these wells have been uneconomic. There is significant gas in place in the Pictured Cliffs sands in this area that we believe may be economically extracted through horizontal drilling, but the 660' setbacks associated with the current 160 acre spacing rules do not allow sufficient horizontal length to have a reasonable chance of achieving economic wells.

Black Hills Exploration and Production Company recently applied for reduced setbacks for the Pictured Cliffs formation in the adjacent properties in the 30N-3W township. In their application they also referred to the low recovery factors from this reservoir, and the need for horizontal drilling. The geologic characteristics of the Pictured Cliffs formation in these two areas are similar, and the same setback exceptions are needed to increase recoverable reserves and prevent waste.

Attachments: Map of SJ 30-4 Unit, Pictured Cliffs PA, and 2 proposed horizontal wells



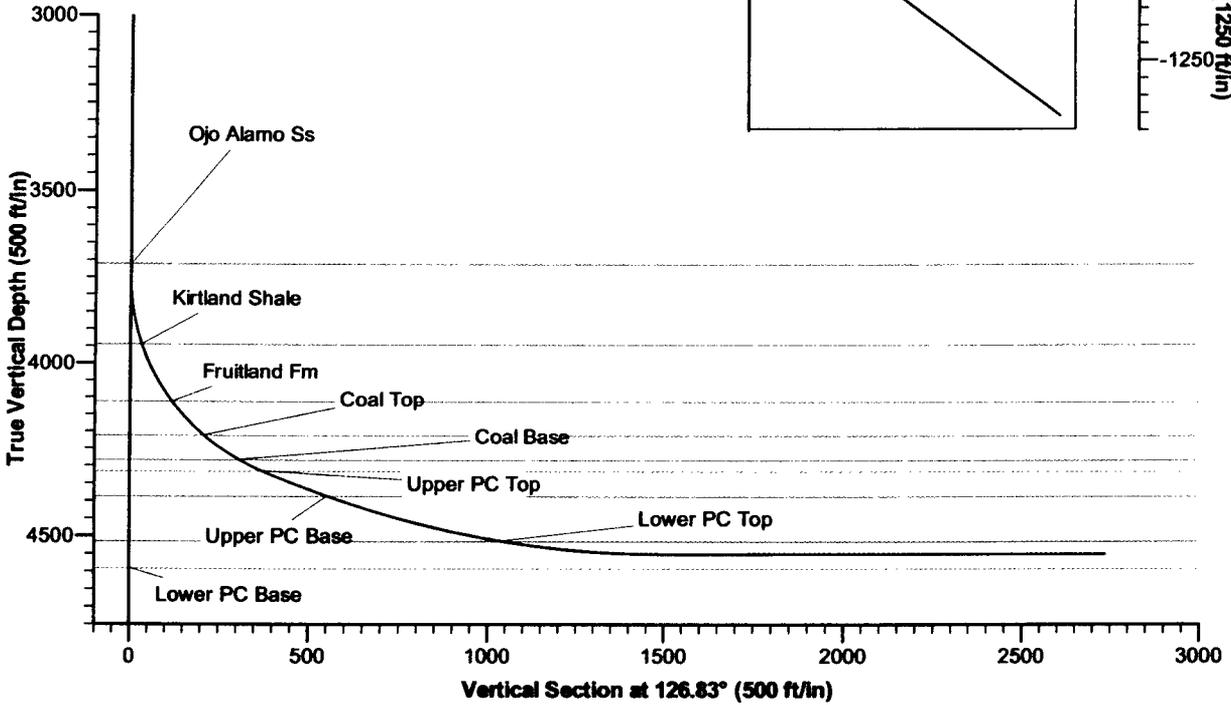
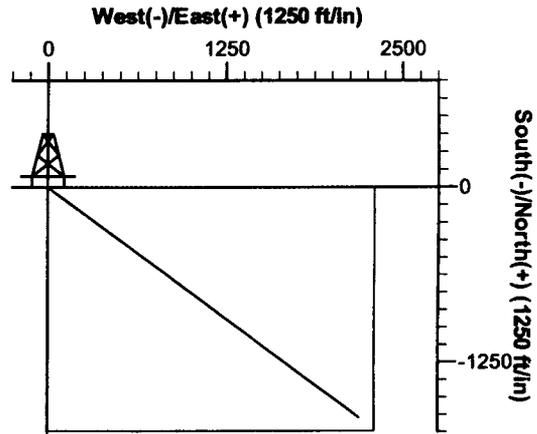
**Project: SJ BR; S21, T30N, R4W**  
**Site: Cabresto Mesa**  
**Well: San Juan 30-4 Unit #21-1**  
**Wellbore: Main Lateral**  
**Plan: Plan #1 (San Juan 30-4 Unit #21-1/Main Lateral)**

Azimuths to True North  
 Magnetic North: 10.19°  
 Magnetic Field  
 Strength: 51263.2snT  
 Dip Angle: 63.71°  
 Date: 4/3/2007  
 Model: IGRF200510

<b>PROJECT DETAILS: SJ BR; S21, T30N, R4W</b>	
Geodetic System:	US State Plane 1983
Datum:	North American Datum 1983
Ellipsoid:	GRS 1980
Zone:	New Mexico Western Zone
<b>System Datum: Mean Sea Level</b>	

<b>SURFACE LOCATION</b>	
Easting:	2891213.24
Northing:	2109747.12

SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	3750.0	0.00	0.00	3750.0	0.0	0.0	0.00	0.00	0.0	
3	4479.6	68.00	126.83	4320.0	-230.5	307.7	9.32	126.83	384.5	
4	4559.7	68.00	126.83	4350.0	-275.0	367.2	0.00	0.00	458.7	
5	5614.3	90.00	126.83	4550.0	-891.8	1190.7	2.09	0.00	1487.6	
6	6862.3	90.00	126.83	4550.0	-1639.9	2189.6	0.00	0.00	2735.6	

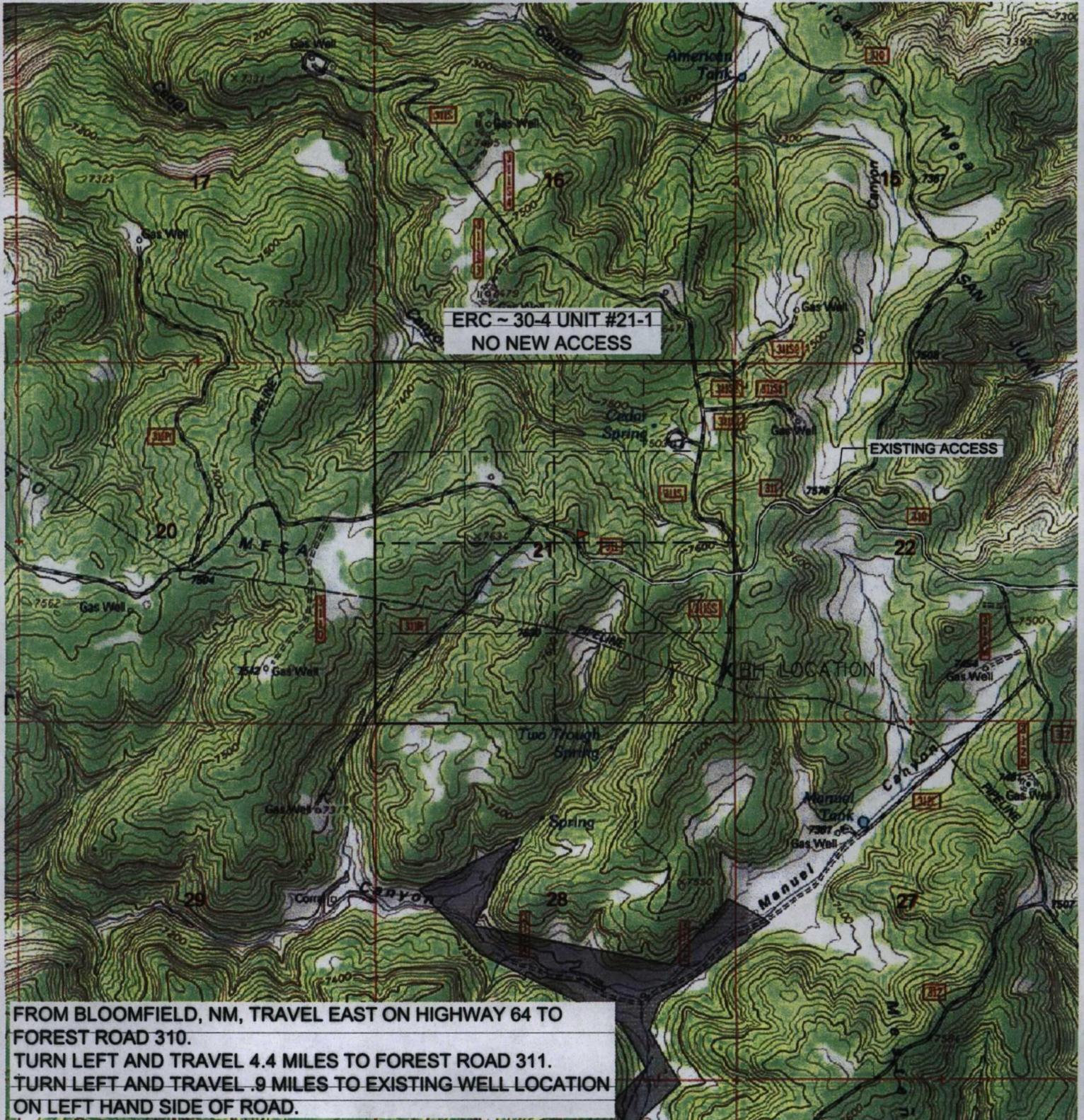


# ENERGEN RESOURCES CORPORATION

SAN JUAN 30-4 UNIT #21-1

2400' FSL & 2300' FEL

LOCATED IN THE NW/4 SE/4 OF  
SECTION 21, T30N, R4W, N.M.P.M.,  
RIO ARriba COUNTY, NEW MEXICO  
GROUND ELEVATION: 7609', NAVD 88



FROM BLOOMFIELD, NM, TRAVEL EAST ON HIGHWAY 64 TO  
FOREST ROAD 310.  
TURN LEFT AND TRAVEL 4.4 MILES TO FOREST ROAD 311.  
TURN LEFT AND TRAVEL .9 MILES TO EXISTING WELL LOCATION  
ON LEFT HAND SIDE OF ROAD.

U.S.G.S. QUAD: ESPINOSA RANCH, NM  
SCALE: 1" = 2000' (1:24,000)  
JOB No.: ERG121  
DATE: 11/22/06; REV1

 **Russell Surveying**  
1409 W. Aztec Blvd. #5  
Aztec, New Mexico 87410  
(505) 334-8637



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**BILL RICHARDSON**

Governor

**Joanna Prukop**

Cabinet Secretary

**Mark E. Fesmire, P.E.**

Director

**Oil Conservation Division**

April 23, 2007

Mr. David M. Poage  
Energen Resources  
2198 Bloomfield Hwy  
Farmington, NM 87401

**Re: San Juan 30-4 Well No. 21-1  
J-21-30N-4W  
Rio Arriba County**

*Holding for  
notice per 5/2 TC  
not Mr. Poage*

Dear Mr. Poage:

I have before me your application for approval of a non-standard location for this well.

Your letter states that Energen is the owner of all offsetting spacing units. Because Rule 1210 requires notice to working interest owners if the applicant is operator of an offsetting unit but not 100% owner, I need you to confirm, if such is the case, that Energen is owner of 100% of the working interest in the Pictured Cliffs in the offsetting spacing units to the east and to the west.

Should you have questions, please feel free to call the undersigned at (505)-476-3450.

Very truly yours,

David K. Brooks,  
Assistant General Counsel  
david.brooks@state.nm.us

May 3, 2007

Certified Mail  
7005 1820 0002 8596 7057

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

Attention: Mr. David Brooks  
Assistant General Counsel

RE: Administrative Approval of Unorthodox Locations  
San Juan 30-4 #21-1 Well and  
San Juan 30-4 # 48 Well  
Section 17, T30N, R4W and  
Section 21, T30N, R4W  
Rio Arriba County, New Mexico

2007 MAY 4 AM 11 37

Dear Mr. Brooks:

Energen Resources Corporation (Energen) has previously requested Administrative Approval for an Unorthodox Location on each of its San Juan 30-4 #21-1 and # 48 Pictured Cliffs formation wells under the provisions of New Mexico Oil Conservation Division, East Blanco Pictured Cliffs Pool rules.

In requesting these applications an error was made in contacting the offset working interest owners. This has been corrected. Letters advising of these applications and requesting waivers are being sent today. For your use I am enclosing copies of the letters with this letter.

Your inclusion of these letters with our applications is appreciated.

Sincerely,



David M. Poage  
District Landman



R E S O U R C E S

May 3, 2007

CERTIFIED MAIL  
7005 1820 0002 8596 6937

JABCO, LLP  
Attn: Debra Coughlin  
c/o Nations bank of Texas, N.A.  
P.O. Box 2546  
Fort Worth, TX 76113-2546

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

Dear Interest Owner:

Energen Resources Corporation has filed with the New Mexico Oil Conservation Division (NMOCD), an application for the Administrative Approval of an unorthodox location for its San Juan 30-4 Unit # 21-1 well. A copy of the application has been attached for your review.

If you have no objection to this unorthodox location, please sign the three copies of the attached waiver and within twenty (20) days of the receipt of this letter, return one (1) executed copy to the NMOCD at 1220 South Francis Drive, Santa Fe, New Mexico 87505, one (1) copy to our office and retain one (1) copy for your files.

Your cooperation in this matter is appreciated.

Sincerely,

David M. Poage  
District Landman

WAIVER

\_\_\_\_\_ hereby waives objection to the above referenced Application for Unorthodox Location for Energen Resources Corporation's San Juan 30-4 Unit # 21-1 well.

Date: \_\_\_\_\_ By: \_\_\_\_\_

cc: OCD-Aztec office, BLM-Farmington office, Offset operators

2007 MAY 11 11:37 AM



May 3, 2007

CERTIFIED MAIL  
7005 1820 0002 8596 6944

Providence Minerals  
ATTN: Karen Herbst  
14860 Montfort Drive, Suite 209  
Dallas, TX 75240

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

Dear Interest Owner:

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Your cooperation in this matter is appreciated.

Sincerely,

  
David M. Poage  
District Landman

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WAIVER

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Date: \_\_\_\_\_ By: \_\_\_\_\_  
cc: OCD-Aztec office, BLM-Farmington office, Offset operators

May 3, 2007

**CERTIFIED MAIL**  
**7005 1820 0002 8596 6951**

J&M Raymond, Ltd.  
TAMACAM, LLC  
Charles W. Gay  
Lorrayn Gay Hacker  
P.O. Box 291445  
Kerrville, TX 78029-1445

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

Dear Interest Owner:

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Your cooperation in this matter is appreciated.

Sincerely,



David M. Poage  
District Landman

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WAIVER

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Date: \_\_\_\_\_ By: \_\_\_\_\_  
cc: OCD-Aztec office, BLM-Farmington office, Offset operators



R E S O U R C E S

May 3, 2007

CERTIFIED MAIL  
7005 1820 0002 8596 6968

MAR Oil & Gas  
ATTN: Mr. Leon Romero  
P.O. Box 5155  
Santa Fe, NM 87502

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

Dear Interest Owner:

Energen Resources Corporation has filed with the New Mexico Oil Conservation Division (NMOCD), an application for the Administrative Approval of an unorthodox location for its San Juan 30-4 Unit # 21-1 well. A copy of the application has been attached for your review.

If you have no objection to this unorthodox location, please sign the three copies of the attached waiver and within twenty (20) days of the receipt of this letter, return one (1) executed copy to the NMOCD at 1220 South Francis Drive, Santa Fe, New Mexico 87505, one (1) copy to our office and retain one (1) copy for your files.

Your cooperation in this matter is appreciated.

Sincerely,

David M. Poage  
District Landman

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WAIVER

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Date: \_\_\_\_\_ By: \_\_\_\_\_

cc: OCD-Aztec office, BLM-Farmington office, Offset operators

May 3, 2007

**CERTIFIED MAIL**  
**7005 1820 0002 8596 6975**

ConocoPhillips Company  
Attn: Cherylene Charley  
P.O. Box 4289  
Farmington, NM 87499-4289

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

Dear Interest Owner:

Energen Resources Corporation has filed with the New Mexico Oil Conservation Division (NMOCD), an application for the Administrative Approval of an unorthodox location for its San Juan 30-4 Unit # 21-1 well. A copy of the application has been attached for your review.

If you have no objection to this unorthodox location, please sign the three copies of the attached waiver and within twenty (20) days of the receipt of this letter, return one (1) executed copy to the NMOCD at 1220 South Francis Drive, Santa Fe, New Mexico 87505, one (1) copy to our office and retain one (1) copy for your files.

Your cooperation in this matter is appreciated.

Sincerely,



David M. Poage  
District Landman

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WAIVER

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Date: \_\_\_\_\_ By: \_\_\_\_\_

cc: OCD-Aztec office, BLM-Farmington office, Offset operators

May 3, 2007

**CERTIFIED MAIL**  
**7005 1820 0002 8596 6982**

Ruth Zimmerman ✓  
c/o Ms. Hazel Hart  
842 Muirlands Vista Way  
La Jolla, CA 92037

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

Dear Interest Owner:

Energen Resources Corporation has filed with the New Mexico Oil Conservation Division (NMOCD), an application for the Administrative Approval of an unorthodox location for its San Juan 30-4 Unit # 21-1 well. A copy of the application has been attached for your review.

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Your cooperation in this matter is appreciated.

Sincerely,



David M. Poage  
District Landman

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WAIVER

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Date: \_\_\_\_\_ By: \_\_\_\_\_

cc: OCD-Aztec office, BLM-Farmington office, Offset operators



May 3, 2007

CERTIFIED MAIL  
7005 1820 0002 8596 6999

Dugan Production Corporation  
P.O. Box 420  
Farmington, NM 87499

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

Dear Interest Owner:

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Sincerely,

David M. Poage  
District Landman

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Date: \_\_\_\_\_ By: \_\_\_\_\_  
cc: OCD-Aztec office, BLM-Farmington office, Offset operators

May 3, 2007

CERTIFIED MAIL  
7005 1820 0002 8596 7002

Navatex Energy, LP ✓  
Zia Data Search Corporation  
Oil & Gas Accounting Services  
P.O. Drawer 2188  
Roswell, NM 88202

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

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District Landman

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Date: \_\_\_\_\_ By: \_\_\_\_\_  
cc: OCD-Aztec office, BLM-Farmington office, Offset operators



May 3, 2007

**CERTIFIED MAIL**  
**7005 1820 0002 8596 7019**

Rio Aribagas ✓  
c/o Eddy Dreyer Management Co., as Agent  
4925 Greenville Avenue, Suite 900  
Dallas, TX 75206

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

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Sincerely,

  
David M. Poage  
District Landman

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WAIVER

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Date: \_\_\_\_\_ By: \_\_\_\_\_  
cc: OCD-Aztec office, BLM-Farmington office, Offset operators



May 3, 2007

CERTIFIED MAIL  
7005 1820 0002 8596 7026

Thomas P. Tinnin ✓  
2303 Candelaria Road, NW  
Albuquerque, NM 87107

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

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Sincerely,

  
David M. Poage  
District Landman

\_\_\_\_\_  
WAIVER

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Date: \_\_\_\_\_ By: \_\_\_\_\_  
cc: OCD-Aztec office, BLM-Farmington office, Offset operators



May 3, 2007

CERTIFIED MAIL  
7005 1820 0002 8596 7033

Tinnin Law Firm, a Professional Corporation  
500 Marquette, NW, Suite 1300  
Albuquerque, NM 87102

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

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Sincerely,

David M. Poage  
District Landman

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WAIVER

\_\_\_\_\_ hereby waives objection to the above referenced Application for Unorthodox Location for Energgen Resources Corporation's San Juan 30-4 Unit # 21-1 well.

Date: \_\_\_\_\_ By: \_\_\_\_\_  
cc: OCD-Aztec office, BLM-Farmington office, Offset operators

May 3, 2007

**CERTIFIED MAIL**  
**7005 1820 0002 8596 7040**

T.H. McElvain Oil & Gas  
Attn: Rick Harris  
1050 17<sup>th</sup> Street, Suite 1800  
Denver, CO 80265

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

Dear Interest Owner:

Energen Resources Corporation has filed with the New Mexico Oil Conservation Division (NMOCD), an application for the Administrative Approval of an unorthodox location for its San Juan 30-4 Unit # 21-1 well. A copy of the application has been attached for your review.

If you have no objection to this unorthodox location, please sign the three copies of the attached waiver and within twenty (20) days of the receipt of this letter, return one (1) executed copy to the NMOCD at 1220 South Francis Drive, Santa Fe, New Mexico 87505, one (1) copy to our office and retain one (1) copy for your files.

Your cooperation in this matter is appreciated.

Sincerely,



David M. Poage  
District Landman

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WAIVER

\_\_\_\_\_ hereby waives objection to the above referenced Application for Unorthodox Location for Energen Resources Corporation's San Juan 30-4 Unit # 21-1 well.

Date: \_\_\_\_\_ By: \_\_\_\_\_  
cc: OCD-Aztec office, BLM-Farmington office, Offset operators



May 3, 2007

CERTIFIED MAIL  
7005 1820 0002 8596 7002

2007 MAY 11 PM 12 12

Navatex Energy, LP  
Zia Data Search Corporation  
Oil & Gas Accounting Services  
P.O. Drawer 2188  
Roswell, NM 88202

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

Dear Interest Owner:

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Your cooperation in this matter is appreciated.

Sincerely,

David M. Poage  
District Landman

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WAIVER

Navatex Energy L.P. hereby waives objection to the above referenced Application for Unorthodox Location for Energen Resources Corporation's San Juan 30-4 Unit # 21-1 well.

Date: 5/8/07 By: Agent J. B. [Signature]  
cc: OCD-Aztec office, BLM-Farmington office, Offset operators



May 3, 2007

CERTIFIED MAIL

7005 1820 0002 8596 6999

2007 MAY 11

PM 12 13

Dugan Production Corporation  
P.O. Box 420  
Farmington, NM 87499

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

Dear Interest Owner:

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Your cooperation in this matter is appreciated.

Sincerely,

David M. Poage  
District Landman

WAIVER

hereby waives objection to the above referenced Application for Unorthodox Location for Energen Resources Corporation's San Juan 30-4 Unit # 21-1 well.

**Skip Fraker**

**Land Manager**

Date: 5-8-07 By: \_\_\_\_\_

cc: ~~OCD-Aztec office, BLM-Farmington office, Offset operators~~  
**Dugan Production Corp.**

May 3, 2007

CERTIFIED MAIL  
7005 1820 0002 8596 7026

Thomas P. Tinnin  
2303 Candelaria Road, NW  
Albuquerque, NM 87107

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

Dear Interest Owner:

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Your cooperation in this matter is appreciated.

Sincerely,



David M. Poage  
District Landman

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WAIVER

Thomas P. Tinnin hereby waives objection to the above referenced Application for Unorthodox Location for Energen Resources Corporation's San Juan 30-4 Unit # 21-1 well.

Date: 5/7/07 By: Thomas P. Tinnin  
cc: OCD-Aztec office, BLM-Farmington office, Offset operators

May 3, 2007

CERTIFIED MAIL  
7005 1820 0002 8596 6982

Ruth Zimmerman  
c/o Ms. Hazel Hart  
842 Muirlands Vista Way  
La Jolla, CA 92037

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

Dear Interest Owner:

Energen Resources Corporation has filed with the New Mexico Oil Conservation Division (NMOCD), an application for the Administrative Approval of an unorthodox location for its San Juan 30-4 Unit # 21-1 well. A copy of the application has been attached for your review.

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Your cooperation in this matter is appreciated.

Sincerely,



David M. Poage  
District Landman

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WAIVER

Ruth Zimmerman Trust hereby waives objection to the above referenced Application for Unorthodox Location for Energen Resources Corporation's San Juan 30-4 Unit # 21-1 well.

Date: 5/9/07 By: Hazel Z. Hart, Trustee  
cc: OCD-Aztec office, BLM-Farmington office, Offset operators

May 3, 2007

CERTIFIED MAIL  
7005 1820 0002 8596 6944

Providence Minerals  
ATTN: Karen Herbst  
14860 Montfort Drive, Suite 209  
Dallas, TX 75240

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

Dear Interest Owner:

Energen Resources Corporation has filed with the New Mexico Oil Conservation Division (NMOCD), an application for the Administrative Approval of an unorthodox location for its San Juan 30-4 Unit # 21-1 well. A copy of the application has been attached for your review.

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Your cooperation in this matter is appreciated.

Sincerely,



David M. Poage  
District Landman

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WAIVER

Providence Minerals hereby waives objection to the above referenced Application for Unorthodox Location for Energen Resources Corporation's San Juan 30-4 Unit # 21-1 well.

Date: 5/10/07 By: Mike Hill  
cc: OCD-Aztec office, BLM-Farmington office, Offset operators

Rio Aribagas, Ltd.  
4925 Greenville Ave., Suite 900  
Dallas, TX 75206

May 15, 2007

Energen Resources Corporation  
Land Department  
2198 Bloomfield Highway  
Farmington, NM 87401

Attn: David Poage  
District Landman

2007 MAY 18 PM 1 08

Re: Unorthodox Location  
San Juan 30-4  
Unit 21-1  
2400' FSL, 2300' FEL-  
Bottom Hole Location  
Section 21-T30N-R4W  
Rio Arriba County, NM

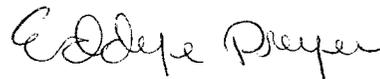
Dear Mr. Poage:

Enclosed please find the executed waiver on the referenced property.

If you have any questions, please call Eddy Dreyer at 214-265-7101.

Sincerely,

Rio Aribagas, Ltd.



Eddy Dreyer  
Agent

Enclosure



May 3, 2007

CERTIFIED MAIL  
7005 1820 0002 8596 7019

Rio Arribagas  
c/o Eddy Dreyer Management Co., as Agent  
4925 Greenville Avenue, Suite 900  
Dallas, TX 75206

RE: Administrative Approval of Unorthodox Location  
San Juan 30-4 Unit # 21-1  
2400' FSL, 2300' FEL, Bottom Hole Location  
Section 21- T30N, R4W  
Rio Arriba County., New Mexico

Dear Interest Owner:

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Your cooperation in this matter is appreciated.

Sincerely,

David M. Poage  
District Landman

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WAIVER

*Rio Arribagas Ltd* hereby waives objection to the above referenced Application for Unorthodox Location for Energen Resources Corporation's San Juan 30-4 Unit # 21-1 well.

Date: *5/15/07* By: *Eddy Dreyer Agent*  
cc: OCD-Aztec office, BLM-Farmington office, Offset operators