

DATE 1/27/03	DISPENSE 2/16/03	ENGINEER WVS	LOGGED IN MW	TYPE CTB	APP NO PRRV0302840453
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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



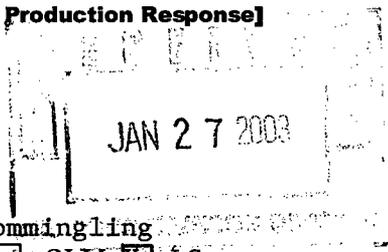
ADMINISTRATIVE APPLICATION CHECKLIST

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
 NSL NSP SD
- Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement Surface Commingling
 DHC CTB PLC PC OLS OLM LC
- [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] 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.

<u>Sharon Hindman</u> Print or Type Name	<u>Sharon Hindman</u> Signature	<u>Regulatory Analyst</u> Title	<u>1/23/2003</u> Date
_____ e-mail Address			

District I
1625 N. French Drive, Hobbs, NM 88240

District II
1301 W. Grand Ave, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
_____, 200-

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: ENERGEN RESOURCES CORPORATION

OPERATOR ADDRESS: 3300 N. "A" ST BLDG 4 STE 100 MIDLAND TEXAS 79705

APPLICATION TYPE:

Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: Fee State Federal

Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No. _____

Has the Comm. of Public Lands (BLM) and State Land office (SLO) consented in writing to the proposed commingling Yes No

(A) POOL COMMINGLING
Please attach sheets with the following information

Notice mailed out with this application.

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Value of Non-Commingled Production	Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? Yes No
- (3) Are all working, royalty and overriding royalty interests common between pools? Yes No
- (4) Include proof of notice to all interests if the answer to No. 3 is "No".
- (5) Measurement type: Metering Well Test Subtraction Method
- (6) Will commingling decrease the value of production? Yes No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code. Saunders, San Andres (96196)
- (2) Is all production from same source of supply? Yes No
- (3) Are all working, royalty and overriding royalty interests common between leases? Yes No
- (4) Include proof of notice to all interests if the answer to No. 3 is "No".
- (5) Measurement type: Metering Well Test Subtraction Method (only when No. 3 is "Yes")

Meter - Gas, OIL
Well Test - OIL

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

- (1) Is all production from same source of supply? Yes No
- (2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
- (2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
- (3) Lease Names, Lease and Well Numbers, and API Numbers.
- (4) If production is to be measured by well test, include testing frequency. Testing will be done once monthly on wells.

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

SIGNATURE: Sharon Hindman TITLE: Regulatory Analyst DATE: 1/23/2003

TYPE OR PRINT NAME Sharon Hindman TELEPHONE NO.: 915 684-3693

ENERGEN RESOURCES CORPORATION
Amerada State #1
Lea County, New Mexico
Surface Commingle

INTEREST OWNERS:

Energen Resources Corporation
3300 N. "A" St. Bldg. 4 Ste. 100
Midland, Texas 79705

Amerada Hess Corporation
500 Dallas, Level 2
Houston, Texas 77002

Commissioner of Public Lands
New Mexico Oil & Gas Acct. Div.
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

A copy of the Surface Commingle Application has been sent to each of the above listed parties on this the 24th day of January, 2003.



Sharon Hindman
Regulatory Analyst
Energen Resources Corporation

7000 0520 0021 3203 1783

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

161 3 5 2 PB8660416
0591 \$ 00.00⁰ JAN 24 03

3146 MAILED FROM MIDLAND TX 79705
Postage \$.60

Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.65

Postmark
Here

Re AMERADA HESS CORPORATION *by mailer)*
 500 DALLAS, LEVEL 2
 HOUSTON TEXAS 77002
 PS Instructions

7000 0520 0021 3203 1776

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

161 3 5 2 PB8660416
0541 \$ 00.00⁰ JAN 24 03

3147 MAILED FROM MIDLAND TX 79705
Postage \$.60

Certified Fee	2.30
Return Receipt Fee (Endorsement Required)	1.75
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$ 4.65

Postmark
Here

Re COMMISSIONER OF PUBLIC LANDS *mailer)*
 Su NEW MEXICO OIL & GAS ACCT DIV
 P O BOX 1148
 Ch SANTA FE, NEW MEXICO 87504-1148
 PS Instructions

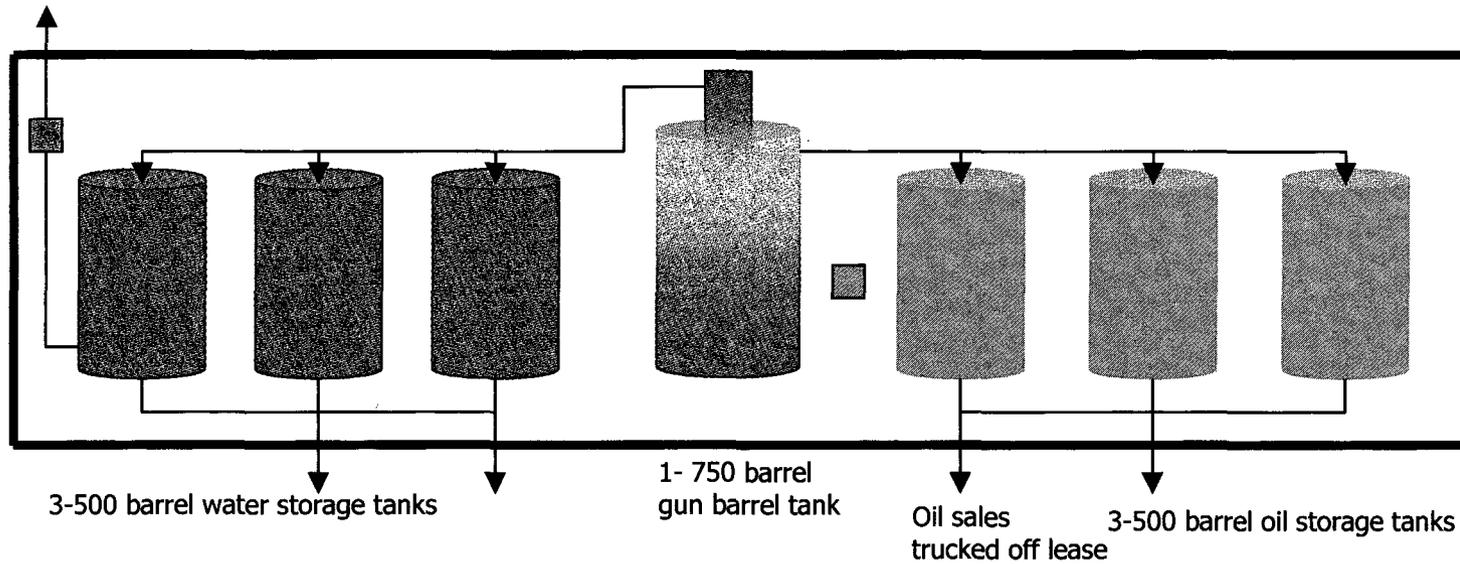
↓
NORTH

State "T" Battery
OCD Lease ID # 029529
Legal description:
Section 5 TWP T-15-S RGE R-33-E
GPS Coordinates:
N: 33° 02' 37.5"
W: 103° 38' 04.6"

Secondary Containment Dimensions:
Length: 172'
Width: 45'
Height: 4'
Total Containment Capacity: 5514 barrels
Largest single container 750 barrel gun barrel
Total oil storage capacity: 1500 barrels

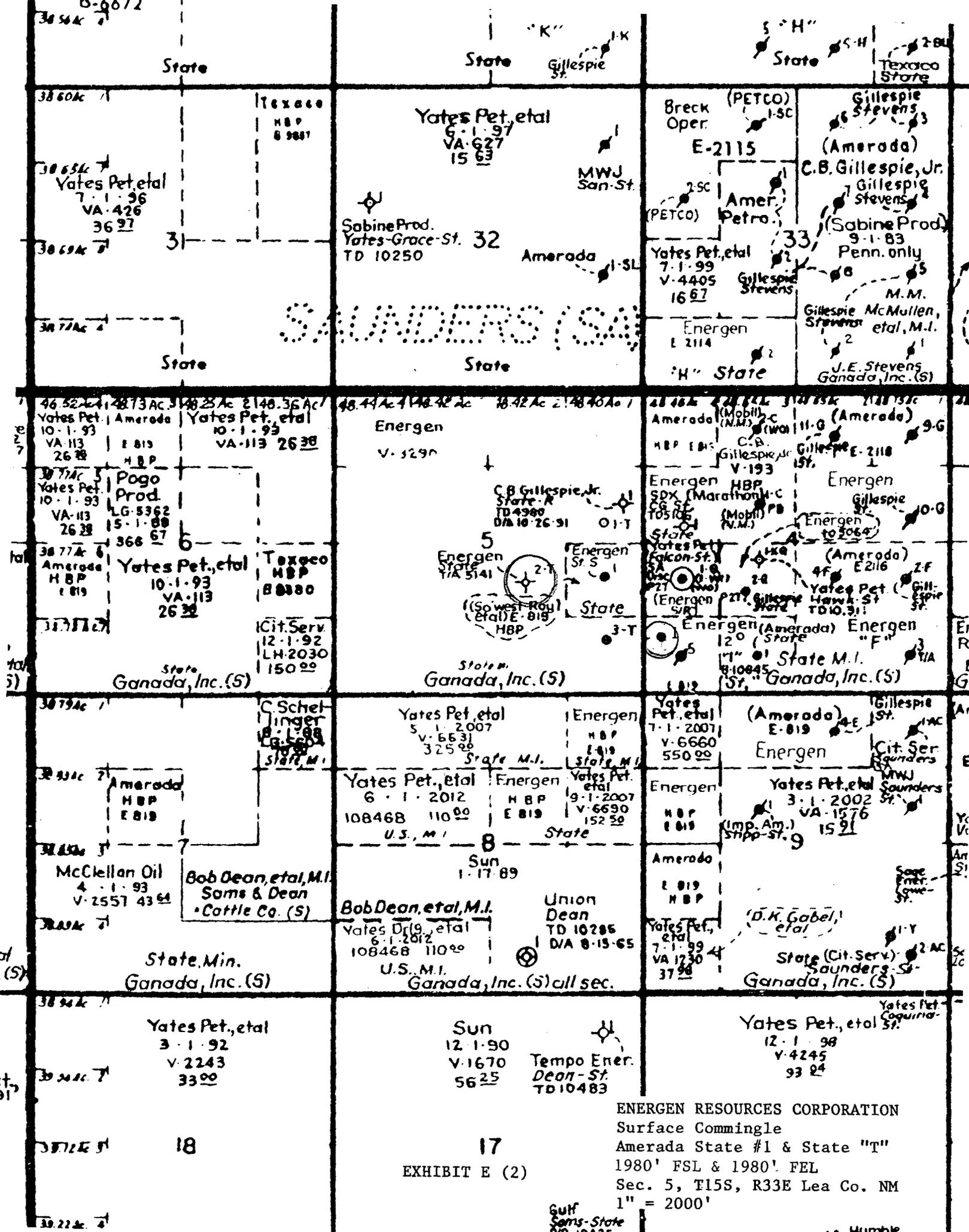
1980' FSL & 1980' FEL
Lea County, NM

Produced water to disposal



● State "T" #2

EXHIBIT E (1)



17
EXHIBIT E (2)

ENERGEN RESOURCES CORPORATION
 Surface Commingle
 Amerada State #1 & State "T"
 1980' FSL & 1980' FEL
 Sec. 5, T15S, R33E Lea Co. NM
 1" = 2000'

Gulf
 Sams-State
 #8 10425

1-AE Humble
 State

et,
 91
 51

18

Sun
 12-1-90
 V-1670
 5625

Tempo Ener.
 Dean-St.
 TD10483

Yates Pet., etal
 12-1-98
 V-4245
 9324

Yates Pet., etal
 3-1-92
 V-2243
 3300

Bob Dean, etal, M.I.
 Yates Orig., etal
 6-1-2012
 108468 110.00
 U.S. M.I.
 State Min.
 Canada, Inc. (S) all sec.

Union
 Dean
 TD 10285
 D/A 8-15-65

Amerada
 E 819
 HBP

'D.K. Gabel,'
 etal
 State (Cit. Serv.)
 Saunders, S.
 Canada, Inc. (S)

Energen
 HBP
 E 819

Yates Pet., etal
 3-1-2002
 VA-1576
 1591
 (Imp. Am.)
 Shipp-St. 9

Yates Pet., etal
 6-1-2012
 108468 110.00
 U.S. M.I.

Energen
 HBP
 E 819

Yates Pet., etal
 7-1-2007
 V-6660
 550.00

(Amerada)
 E-819
 Energen
 Cit. Ser.
 Saunders

C. Schel-
 inger
 etal
 State M.I.

Yates Pet., etal
 5-1-2007
 V-6631
 325.00
 State M.I.

Energen
 HBP
 E 819

Yates Pet., etal
 7-1-2007
 V-6660
 550.00

(Amerada)
 E-819
 Energen
 State M.I.
 Canada, Inc. (S)

Cit. Serv.
 LH 2030
 150.00
 State
 Canada, Inc. (S)

State M.I.
 Canada, Inc. (S)

Energen
 State
 Y/A 5141

(Amerada)
 E-216
 Yates Pet.
 Hawk St
 TD 10,311

C.B. Gillespie, Jr.
 State M.I.
 TD 4980
 D/A 10-26-91

Energen
 SPX (Marathon)
 CG St.
 TOS 105

Energen
 Gillespie
 State M.I.

Energen
 V-3290

Amerada
 HBP E 819
 Gillespie, Jr.
 V-193

(Amerada)
 E-2118
 Energen
 Gillespie

State
 Canada, Inc. (S)

Energen
 E 2114

'H' State
 J.E. Stevens
 Ganada, Inc. (S)

Sabine Prod.
 Yates-Grace-St. 32
 TD 10250
 Amerada

Yates Pet., etal
 7-1-99
 V-4405
 1667
 Gillespie
 Stevens

(Sabine Prod.)
 9-1-83
 Penn. only
 M.M.
 Gillespie McMullen,
 etal, M.I.

Yates Pet., etal
 6-1-97
 VA-627
 1563
 MWJ
 San-St.

Breck
 Oper.
 (PETCO)
 I-SC
 E-2115
 Amer.
 Petro.

Gillespie
 Stevens
 (Amerada)
 C.B. Gillespie, Jr.
 Gillespie
 Stevens

State
 "K"
 Gillespie

State
 "H"

State
 "H"
 Texasco
 State

State
 Texasco
 HBP
 8 9887

Yates Pet., etal
 7-1-96
 VA-426
 3697

State

State

Yates Pet., etal
 10-1-93
 VA-113
 2638
 E 819
 HBP

Yates Pet.
 10-1-93
 VA-113
 2638
 Pogo
 Prod.
 LG-5362
 5-1-88
 36667

Yates Pet., etal
 10-1-93
 VA-113
 2638
 Amerada
 HBP
 E 819

Cit. Serv.
 LH 2030
 150.00
 State
 Canada, Inc. (S)

Amerada
 HBP
 E 819

McClellan Oil
 4-1-93
 V-2557 4364

Bob Dean, etal, M.I.
 Sams & Dean
 Cattle Co. (S)

State Min.
 Canada, Inc. (S)

Yates Pet., etal
 3-1-92
 V-2243
 3300

State

State

State

EXHIBIT III

DISTRICT I
 P. O. Box 1980
 Hobbs, NM 88241-1980

State of New Mexico
 Energy, Minerals, and Natural Resources Department

Form C-102
 Revised 02-10-94

Instructions on back

DISTRICT II
 P. O. Drawer DD
 Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

P. O. Box 2088
 Santa Fe, New Mexico 87504-2088

Submit to the Appropriate
 District Office
 State Lease - 4 copies
 Fee Lease - 3 copies

DISTRICT III
 1000 Rio Brazos Rd.
 Aztec, NM 87410

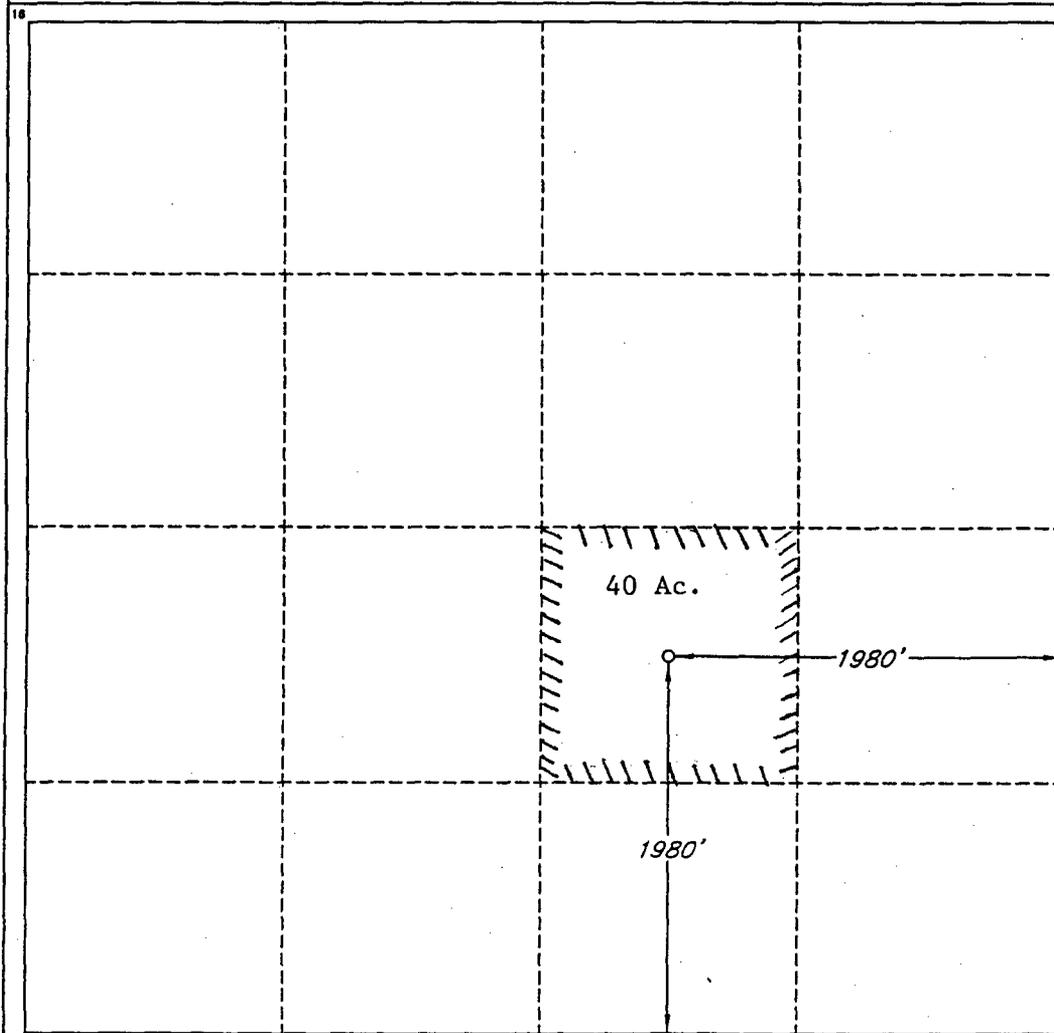
AMENDED REPORT

DISTRICT IV
 P. O. Box 2088
 Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 96196		3 Pool Name Saunders, San Andres					
4 Property Code 29529		5 Property Name STATE 'T'					6 Well Number 2		
7 OGRID No. 16928		8 Operator Name ENERGEN RESOURCES CORPORATION					9 Elevation 4221'		
10 SURFACE LOCATION									
UL or lot no. J	Section 5	Township 15 SOUTH	Range 33 EAST, N.M.P.M.	Lot Ida	Feet from the 1980'	North/South line SOUTH	Feet from the 1980'	East/West line EAST	County LEA
11 BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE									
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Signature
Sharon Hindman
 Printed Name
 Sharon Hindman
 Title
 Regulatory Analyst
 Date
 3/04/2002

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.

Date of Survey
 JANUARY 31, 2002

Signature and Seal of
 Professional Surveyor

Certificate No.
 V. L. BEZNER R.P.S. #7920
 JOB #80253 / 122 SW / J.C.P.

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals, and Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 15, 2000
Submit to Appropriate District Office
State Lease - 4 copies
Fee Lease - 3 copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 96196		³ Pool Name Saunders, San Andres	
⁴ Property Code 30950		⁵ Property Name AMERADA STATE			⁶ Well Number 1
⁷ OGRID No. 162928		⁸ Operator Name ENERGEN RESOURCES CORPORATION			⁹ Elevation 4212'

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
M	4	15 SOUTH	33 EAST, N.M.P.M.		990'	SOUTH	330'	WEST	LEA

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

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>¹⁶</p> <p>40 Ac.</p>	<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>Sharon Hindman</i> Signature</p> <p>Sharon Hindman Printed Name</p> <p>Regulatory Analyst Title</p> <p>12/18/2002 Date</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>DECEMBER 9, 2002 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p>
	<p>Certificate Number V. L. BEZNER R.P.S. #7920 JOB #84992 / 122SE / J.C.P.</p>

ENERGEN RESOURCES CORPORATION

Amerada State #1

Lea County, New Mexico

Surface Commingle Application (107-B)

EXHIBIT III

<u>LEASE NAME</u>	<u>WELL NUMBER</u>	<u>API NUMBER</u>
Amerada State 990' FSL & 330' FWL Sec. 4, T15S, R33E Unit M	1	30-025-36083
State "T" 1980' FSL & 1980' FEL Sec. 5, T15S, R33E Unit J	2	30-025-35857

Both wells are completed in the Saunders, San Andres Pool (96196)