



New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson
Governor

Joanna Prukop
Cabinet Secretary

Mark Fesmire
Division Director
Oil Conservation Division



August 07, 2009

John Harrington
Landman
Energen Resources Corporation
2010 Afton Place
Farmington, New Mexico 87401

RE: **Jicarilla 119N Well No. 8A**
800 feet FNL & 535 feet FWL (Unit D) (Unorthodox)
NW/4 of Section 8, T-26 -N, R-4-W,
NMPM, Rio Arriba County, New Mexico

Administrative Order NSL-6066

Dear Mr. Harrington:

Reference is made to the following:

(a) your application (**administrative application reference No. pTGW0919850374**) submitted to the New Mexico Oil Conservation Division (the Division) in Santa Fe, New Mexico on July 17, 2009 and

(b) the Division's records pertinent to COG's request.

Energen Resources Corporation, requests to re-complete its Jicarilla 119N Well No. 8A at an unorthodox Tapicito Pictured Cliffs gas well location as referenced above in Section 8, Township 26 North, Range 4 West, N.M.P.M., in Rio Arriba County, New Mexico.

The NW/4 of Section 8 will be dedicated to this well to form a standard 160-acre gas spacing and proration unit. Energen Resources Corporation intends to re-complete the well to test the Tapicito Pictured Cliffs Gas Pool (**85920**). This pool is governed by the Division's Statewide Rules and Regulations as amended by Division Order No. R-8170-H, which provide for gas wells on 160-acre spacing units to be located no closer than 660 feet to the outer boundary of the spacing unit.

It is our understanding that the well was initially drilled at a non-standard location with respect to the Blanco Mesaverde Gas Pool, which was approved by the



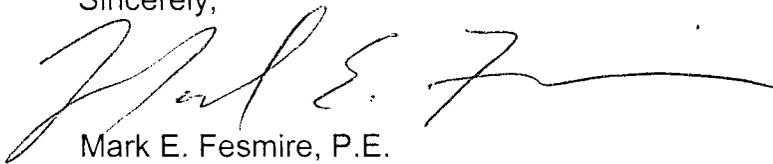
Division Order No.NSL-821, issued on January 28, 1977. Now as located, the well is also at an unorthodox location with respect to the Tapicito Pictured Cliffs Gas Pool to which the well is to be re-completed.

Your application has been duly filed under the provisions of Division Rules 19.15.15.13 NMAC. It is our understanding that the offsetting acreage has interest ownership identical in all respects, therefore no notice of this application is required.

Pursuant to the authority granted under the provisions of Division Rules 19.15.15.13 NMAC, the above-described unorthodox Tapicito Pictured Cliffs Gas Pool location is hereby approved.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'Mark E. Fesmire', with a long horizontal flourish extending to the right.

Mark E. Fesmire, P.E.
Director

MEF/re

cc: New Mexico Oil Conservation Division – Aztec
Bureau of Land Management (BLM) - Farmington