

DATE <u>3/7/03</u>	SUSPENSE <u>3/27/03</u> <u>WVJ</u>	ENGINEER <u>WVJ</u>	LOGGED <u>NSL/RW</u>	<u>PKRY0306927719</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

Jicarilla 96 #5C Well

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [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]

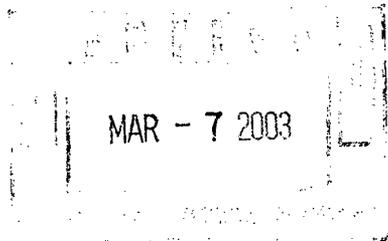
[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
- NSL NSP DD SD

Check One Only for [B] and [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



[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] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

<u>Richard P. Corcoran</u>		<u>District Landman</u>	<u>3-5-03</u>
Print or Type Name	Signature	Title	Date

ENERGEN

R E S O U R C E S

March 5, 2003

New Mexico Oil Conservation Division
Attn: Michael E. Stogner
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

RE: ADMINISTRATIVE APPROVAL OF UNORTHODOX LOCATION
JICARILLA 96 #5C
660' FSL & 2,600' FWL
SECTION 11-T26N-R3W
RIO ARRIBA COUNTY, NEW MEXICO

(30-039-27311)

Dear Mr. Stogner:

Energen Resources Corporation (Energen) hereby requests Administrative Approval for an Unorthodox Location of its proposed Jicarilla 96 #5C Mesaverde well under the provisions of New Mexico Oil Conservation Division (NMOCD) Order R-10987 as amended.

The proposed well is to be located 660' FSL & 2,600' FWL of Section 11-T26N-R3W, Rio Arriba County, New Mexico and dedicated to a standard 320 acre gas proration unit consisting of the W/2 of said Section 11, in the Blanco Mesaverde gas pool.

This will be the fourth Mesaverde well to be drilled in the W/2 of Section 11-T26N-R3W with the first three wells being:

- The Jicarilla 96 #5 (API #30-039-06534) located 990' FSL and 990' FWL of Section 11-T26N-R2W, was drilled to a total depth of 6050', completed on August 28, 1957 as a Mesaverde/Pictured Cliffs well and has produced 30,270 barrels of oil and 2,733,000 MCF/G through September 2002.
- The Jicarilla 96 #5A (API #30-039-21238) located 1190' FSL and 790' FWL of Section 11-T26N-R2W was drilled to a total depth of 6000', completed on October 13, 1976 as a Mesaverde well and has produced 17,188 barrels of oil and 1,277,668 MCF/G through September 2002.
- The Jicarilla 96 #5B (API #30-039-26587) located 2,240' FNL and 1,980' FWL of Section 11-T26N-R2W, was drilled to a total depth of 6,282', completed on April 10, 2002 as a Mesaverde well and has produced 884 barrels of oil and 77,155 MCF/G through September 2002.

The proposed well is closer than 660 feet to the eastern boundary of the proration unit, causing a non-standard location. The well is proposed at this unorthodox location due to numerous cultural artifacts being prevalent all along the standard locations as set out in the attached letter from the Archeologist that conducted the Survey as approved by the Jicarilla Tribe.

A copy of this Application is being submitted to the Jicarilla Tribe who is the only other offsetting owner, by certified mail with a request that they furnish your office in Santa Fe a Waiver of Objection.

Attached is a well location plat showing dedicated acreage (C-102), a topographic plat of the area, and a map showing all offsetting owners.

Your favorable consideration of this request would be appreciated.

Sincerely,



Richard Corcoran
District Landman

VELARDE ENERGY SERVICE

P.O. BOX 919
505.759.3396



DULCE NM.87528
sundog@ravin.net

February 27, 2003

Doug Thomas
Energen Resources
2198 Bloomfield Highway
Farmington, NM 87401

Doug,

In early November of 2002, we, Biologist, along with Surveyors, examined Jicarilla 96 #5C, which was staked at 1600'FSL & 1980'FWL of Section 11, Township 26 North, Range 3 West. This location was found to have cultural resources along the entire ridge. Jicarilla 96 #5C was later staked at 660'FSL & 2600'FWL in the same section. This location was clear of cultural resources.

The details are found in report #CR-2002-760 from this office.

Sincerely,

A handwritten signature in black ink, appearing to read "Gifford Velarde".

Gifford Velarde

c: facsimile to D. Thomas

District II
PO Drawer 00, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

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

AMENDED REPORT

District IV
PO Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-039-27311		*Pool Code 72319	*Pool Name BLANCO MESAVERDE
*Property Code	*Property Name JICARILLA 96		*Well Number 5C
*GRID No. 162928	*Operator Name ENERGEN RESOURCES CORPORATION		*Elevation 7151'

¹⁰ Surface Location

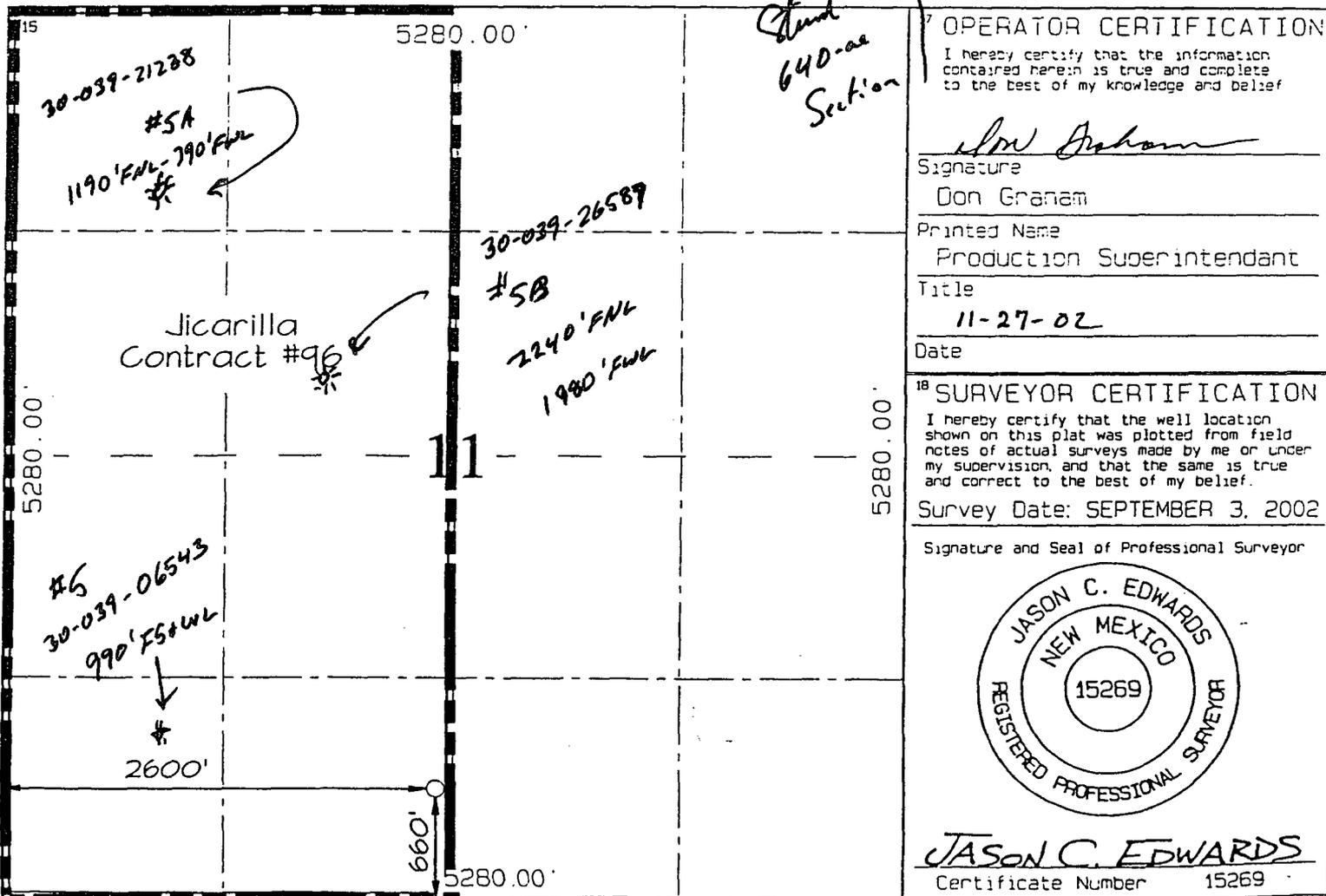
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	11	26N	3W		660	SOUTH	2600	WEST	RIO ARRIBA

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 320.0 Acres - (W/2)	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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



¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Don Graham
Signature
Don Graham
Printed Name
Production Superintendent
Title
11-27-02
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.

Survey Date: SEPTEMBER 3, 2002

Signature and Seal of Professional Surveyor



JASON C. EDWARDS
Certificate Number 15269

ENERGEN RESOURCES CORPORATION JICARILLA 96 #5C

660' FSL & 2600' FWL, SECTION II, T26N, R3W, N.M.P.M.
RIO ARriba COUNTY, NEW MEXICO

