

DATE IN <u>12.14.10</u>	SUSPENSE	ENGINEER <u>DKB</u>	LOGGED <u>NSL</u>	PTGW TYPE <u>1034928502</u>
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ABOVE THIS LINE FOR DIVISION USE ONLY
NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -

RECEIVED OGD
 EMERGEN RES
 2010 DEC 14 A 8:35 112928
 Jicarilla 96 #600H

Jicarilla 96 #600H Well

ADMINISTRATIVE APPLICATION COVERSHEET 30-039

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

6311

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
- [X] 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] [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] **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>David M. Poage</u>	<u>David M Poage</u>	<u>District Landman</u>	<u>12/9/10</u>
Print or Type Name	Signature	Title	Date



December 9, 2010

Certified-Return Receipt
7009 2820 0000 5763 9987

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

RE: Administrative Approval of Unorthodox Location
Jicarilla 96 # 600H Well
595' FNL, 700' FEL-Section 3-T26N-R3W--Surface Location
700'FNL, 200' FWL-Section 2-T26N-R3W—Entry Point (uncased)
900' FNL, 200' FEL Section 2-T26N-R3W---Bottom Hole Location (proposed)
Rio Arriba County, New Mexico

Gentlemen:

Energen Resources Corporation (Energen) hereby requests Administrative Approval for an Unorthodox Location of its Jicarilla 96 # 600H Mancos formation well under the provisions of New Mexico Oil Conservation Division, Basin Mancos gas Pool Rules.

This well is proposed to enter Section 2 at a point 200' FWL and continue horizontally to a point 200' FEL of Section 2-T26N-R3W, Rio Arriba County, New Mexico. The dedicated spacing unit for this well is the N/2 of Section 2-T26N-R3W.

This well is located closer than 660' from the eastern and western spacing unit boundaries by 460' in each direction. 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.

Energen Resources Corporation is the operator of the affected spacing units on both the east and west boundaries. There are no working interest owners to notify as Energen is 100% working interest owner in the affected offsetting sections. Attached are a well location plat showing dedicated acreage (C102), a memorandum from the Energen geologist who works this area and a plat showing the affected spacing unit.

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 October 12, 2005

DISTRICT II
1301 W. Grand Avenue, 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
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 27194		³ Pool Name GAVILIAN MANCOS ✓	
⁴ Property Code 22033 <i>21938</i>		⁵ Property Name JICARILLA 96		⁶ Well Number 600H	
⁷ GRID No. 162928		⁸ Operator Name ENERGEN RESOURCES CORPORATION		⁹ Elevation 7098'	

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
A	3	26N	3W	1	595'	NORTH	700'	EAST	RIO ARRIBA

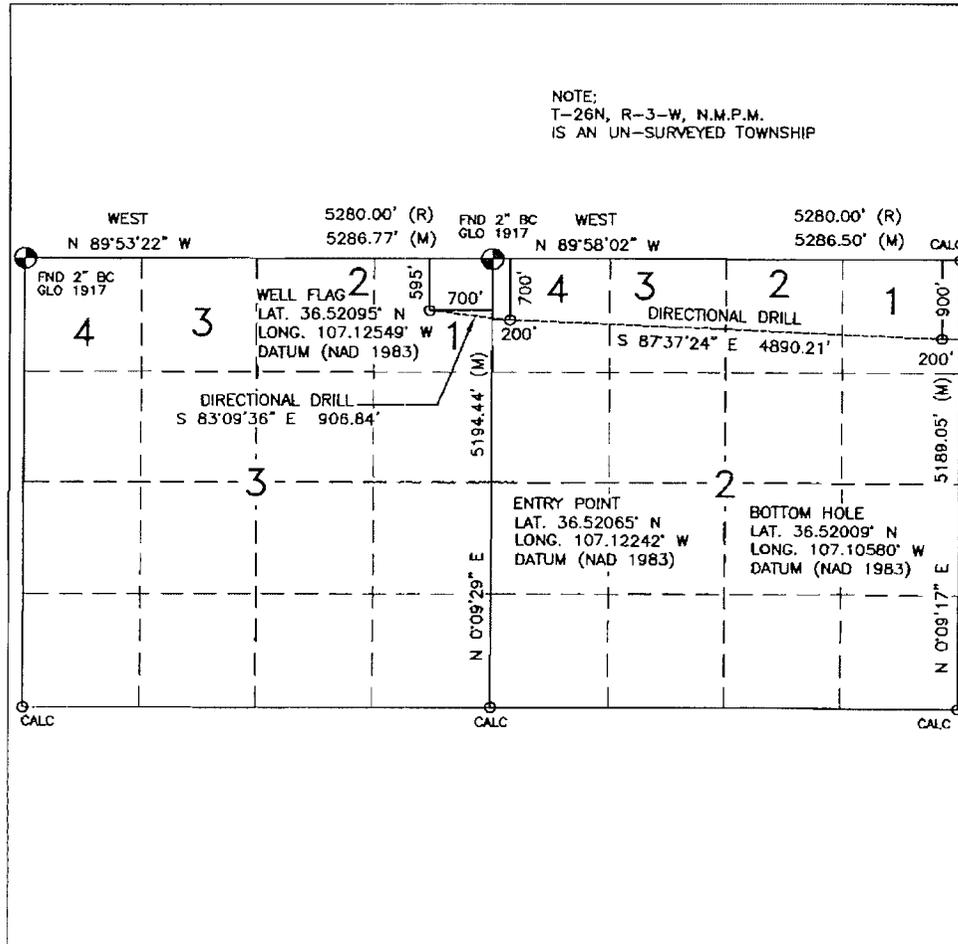
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	2	26N	3W	1	900'	NORTH	200'	EAST	RIO ARRIBA

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

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

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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 or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

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.

OCTOBER 7, 2008

Date of Survey

Signature and Seal of Professional Surveyor:

David Russell

DAVID RUSSELL

Certificate Number

10201



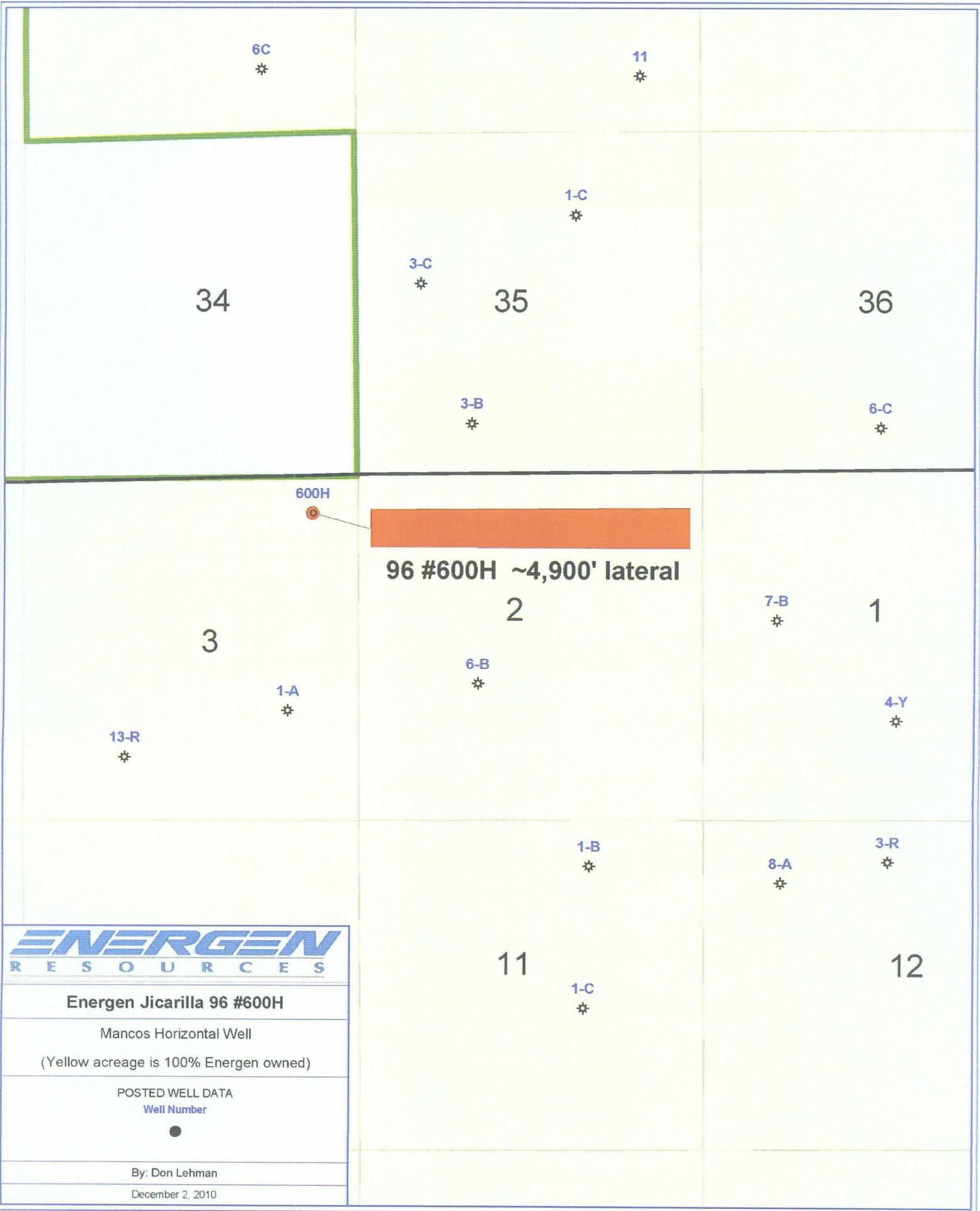
From: Donald Lehman

To: David Poage

Re: Reduced set-backs request
Jicarilla 96 #600H (Mancos/Gallup horizontal)
Sec 3, T26N-R3W
Rio Arriba Co., NM

Date: December 1, 2010

Reduced set-backs of 200 feet versus the current legal 660' are requested for this well in order to gain optimal production from the Mancos/Gallup reservoir. Horizontal drilling has proved that maximum lateral length is the most efficient method in draining a reservoir and thus the request for 200' set-backs. Offset acreage to the east and west of the proposed lateral and 200' set-backs is 100% owned by Energen Resources.



600H



96 #600H ~4,900' lateral



Energen Jicarilla 96 #600H

Mancos Horizontal Well

(Yellow acreage is 100% Energen owned)

POSTED WELL DATA

Well Number



By: Don Lehman

December 2, 2010