STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION COMMISSION

IN THE MATTER OF THE APPLICATION OF ENERGEN RESOURCES CORPORATION FOR COMPULSORY POOLING, RIO ARRIBA COUNTY, NEW MEXICO

CASE NO. 13,733

AFFIDAVIT

STATE OF NEW MEXICO)
) s:
COUNTY OF SANTA FE)

J. SCOTT HALL, attorney in fact and authorized representative of Energen Resources Corporation, the Applicant herein, being first duly sworn, upon oath, states that the notice provisions of Rule 1210 of the New Mexico Oil Conservation Division have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested persons entitled to receive notice, as shown by Exhibit "A" attached hereto, and that pursuant to Rule 1210, notice has been given at the correct addresses or last known addresses provided by such rule.

J. SCOTT HALL

Notary Public

SUBSCRIBED AND SWORN to before me this 21st day of June, 2006

My Commission Expires:

01-10-10

NMOCD Case No.: 13,733

JUNE 22, 2006

ENERGEN RESOURCES CORP.

EXHIBIT NO.

PUBLIC NOTICE Energen Resources Corpora-tion has made application to the New Mexico Oil Conservation Division for relief in the following matter: Case Application of Energen Resources Corporation For Compulsory Pooling, Rio Arriba County, New Mexico. Applicant seeks an order pooling all mineral interests in the Mesaverde formation, Blanco Mesaverde Pools undeflying the W/2 of Section 2, Township 25 North: Range 3 West, Rio Arriba County, New Mexico: to form a standard 356.75-acre gas spacing and proration unit. Said unit is to be dedicated to Applicant's McCroden C # 1. Well drilled from a surface and bottomhole location 12146' from the south line and 1650 from the the Mesaverde formation underlying the W/2 of said second tion 2: 'This Application is brought pursuant to the provi-sions' of 19:15:14:1207 A:(1)(b)∘NMAC: Applicant>nas been unable to: locate the following owners of the operating_rights?referenced: above, whose last know addresses arer Josie M. Gallegos 105 Brook Terrace

er's Bill

times at _

Affidavit

Subtotal 59.60

Freemont, CA 94538 Amadito Valdez 629:22nd Street: Apt. 4 🛷 🛸 Ogden: Utah 84401

Also to be considered will be the cost of drilling and completing the well and the allocation; of, the cost thereof, the actual operating costs and charges for supervision, designation of applicant as operator and a charge for risk involved in drilling the well: The lands that are the subject of the application are located approximately 4 miles east of Ojito, New Mexico: This application will be set for hearing before a Division Examiner on June: 22, 2006: at the New Mexico Oll Conservation Division: 1220 South St. Francis 1 at Rio Grande SUN Dr., Santa Fe, New Mexico. Any owner of an interest that may be affected may appear and present testimony. Failure to appear at that time and 7 become a party of record will preclude such party from challenging this application at a later:time.

For further information, contact the applicant's attorney, J. Scott Hall, Miller Stratvert P.A., 150 Washington Ave., Suite⊭ 300; / Santa: Fe,: New Mexico: 97501; (505) ≥ 989.

(Published May 25, 2006).

Affidavit of Publication

State of New Mexico County of Rio Arriba

I, Robert Trapp, being first duly sworn, declare and say I am the publisher of the Rio Grande SUN, a weekly newspaper published in the English language and having a general circulation in the County of Rio Arriba, State of New Mexico, and being a newspaper duly qualified to publish legal notices and advertisements under the provisions of Chapter 167 of the Session Laws of 1937. The publication, a copy of which is hereto attached, was published in said paper once each week for

I consecutive weeks and on the same day of each week in the regular issue of the paper during the time of publication and the notice was published in the newspaper proper, and not in any supplement. The first publication being on the

25th day of May , 2006

and the last publication on the 25th

cut, 20010 payment for said advertisement has been duly made, or assessed as court costs. The undersigned has personal knowledge of the matters and things set forth in this affidavit.

EXHIBIT

) shell trafficher

Subscribed and sworn to before me this 25-73

day of MAY A.D. 2006

Maria V. Lopez-Garcia/Notary Public My commission expires 13 July 2009



Ranne B. Miller Alice T. Lorenz Stephen M. Williams Stephan M. Vidmar Seth V. Bingham Timothy R. Briggs Rudolph Lucero Deborah A. Solove Gary L. Gordon Lawrence R. White Virginia Anderman Marte D. Lightstone J. Scott Hall* Thomas R. Mack Thomas M. Domme

Ruth O. Pregenzer Jeffrey E. Jones James J. Widland Bradley D. Tepper** Robin A. Goble Iames R Wood Dana M. Kyle Kirk R. Allen Ruth Fuess H. Brook Laskey Paula G. Maynes M. Dylan O'Reilly Jennifer D. Hall Todd A. Schwarz

Scott P. Hatcher Ann M. Conway Randall J. McDonald Robert H. Clark Richard L. Alvidrez Kelsey D. Green Marcy Baysinger Caroline Blankenship Matthew S. Rappaport Karen E. Wootton Somer K. Chyz

Joseph L. Romero

Deron B. Knoner

Patricia A. Bradley

Kelly A. Stone

T. Aaron Garrett Amy P. Hauser Rebecca M. Alves Counsel James B. Collins Robert D. Taichert

> Of Counsel William K. Stratvert Sharon P. Gross

Reply to Santa Fe

150 Washington Ave., Suite 300 Santa Fe, NM 87501

Mailing Address: P.O. Box 1986 Santa Fe, NM 87504-1986

Telephone: (505) 989-9614 Facsimile: (505) 989-9857

Writer's Direct E-Mail: shall@mstlaw.com

Board Certified Specialist: Natural Resources - Oil & Gas Law

** Board Certified Specialist: Real Estate Law

Nell Graham Sale

May 16, 2006

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Louis Martinez Estate c/o Louis Martinez, Jr., Personal Representative 1256 24th Street Ogden, Utah 84403

Re:

NMOCD Case No. _____; Application of Energen Resources Corporation for

Compulsory Pooling, Rio Arriba County, New Mexico

Dear Mr. Martinez:

This will advise that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division seeking an order pooling all mineral interests in the Mesaverde formation underlying the W/2 of Section 2, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico. These lands are to be dedicated to Applicant's McCroden C 31 Well which was previously drilled to the Gallup-Dakota formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Energen Resources Corporation or its designee as operator of the well and a charge for risk involved in recompleting said well. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner at 8:15 a.m. on June 22, 2006, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time.

Very truly yours,

MILLER STRATVERT P.A.

1. I wirelall

JSH/glb Enclosure

RETURN RECEIPT SERVICE	POSTAGE	\$0.63	POSTMARK OR DATE
	RESTRICTED DELIVERY FEE	\$0.00	
	CERTIFIED FEE	\$2.40	
	RETURN RECEIPT FEE	\$1.85]
SENT TO:	TOTAL POSTAGE AND FEE'S	\$4.88	

C/o Louis Martinez, Jr., Personal Representative
1256 24th Street
Odden Litch 94402 1256 24th Street Ogden, Utah 84403

SASI

5/16/2006 3:33 PM

PS FORM 3800





Ranne B. Miller
Alice T. Lorenz
Stephen M. Williams
Stephan M. Vidmar
Seth V. Bingham
Timothy R. Briggs
Rudolph Lucero
Deborah A. Solove
Gary L. Gordon
Lawrence R. White
Virginia Anderman
Marte D. Lightstone
J. Scott Hall*
Thomas R. Mack
Thomas M. Domme

Ruth O. Pregenzer
Jeffrey E. Jones
James J. Widland
Bradley D. Tepper**
Robin A. Goble
James R. Wood
Dana M. Kyle
Kirk R. Ailen
Ruth Fuess
H. Brook Laskey
Paula G. Maynes
M. Dylan O'Reilly
Jennifer D. Hall
Todd A. Schwarz

Nell Graham Sale

Scott P. Hatcher Ann M. Conway Randall J. McDonald Robert H. Clark Richard L. Alvidrez Kelsey D. Green Marcy Baysinger Caroline Blankenship Matthew S. Rappaport Karen E. Wootton

Kelsey D. Green
Marcy Baysinger
Caroline Blankenship
Matthew S. Rappaport
Karen E. Wootton
Somer K. Chyz
Joseph L. Romero
Kelly A. Stone
Deron B. Knoner
Patricia A. Bradley

T. Aaron Garrett Amy P. Hauser Rebecca M. Alves

Counsel

James B. Collins Robert D. Taichert

Of Counsel

William K. Stratvert Sharon P. Gross Reply to Santa Fe

150 Washington Ave., Suite 300 Santa Fe, NM 87501

Mailing Address: P.O. Box 1986 Santa Fe, NM 87504-1986

Telephone: (505) 989-9614 Facsimile: (505) 989-9857

Writer's Direct E-Mail: shall@mstlaw.com

Board Certified Specialist: Natural Resources - Oil & Gas Law Board Certified Specialist: Real Estate Law

May 16, 2006

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

JAS Oil and Gas Company, LLP c/o Kurt Sommer, Esq.
Post Office Box 1984
Santa Fe, New Mexico 87504-1984

Re:

NMOCD Case No. _____; Application of Energen Resources Corporation for

Compulsory Pooling, Rio Arriba County, New Mexico

Dear Mr. Sommer:

This will advise that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division seeking an order pooling all mineral interests in the Mesaverde formation underlying the W/2 of Section 2, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico. These lands are to be dedicated to Applicant's McCroden C 31 Well which was previously drilled to the Gallup-Dakota formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Energen Resources Corporation or its designee as operator of the well and a charge for risk involved in recompleting said well. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner at 8:15 a.m. on June 22, 2006, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. In this regard you should refer to the provisions of NMAC 19.15.14.1211B.

Very truly yours,

MILLER STRATVERT P.A.

1. I wir dall

J. Scott Hall

JSH/glb Enclosure

	POSTAGE	\$0.63	POSTMARK OR DATE
RETURN	RESTRICTED DELIVERY FEE	\$0.00	
RECEIPT	CERTIFIED FEE	\$2.40]
SERVICE	RETURN RECEIPT FEE	\$1.85	
SENT TO:	TOTAL POSTAGE AND FEE'S	\$4.88	

JAS Oil and Gas Company, LLP c/o Kurt Sommer, Esq.
Post Office Box 1984
Santa Fe, New Mexic-1984

gasi

5/16/2006 3:26 PM

300S 3 I YAM

PS FORM 3800





·	A. Signeture X Addressee	
7161 8863 9710 0000 4250	Received by (Printed NATION C. Date of Delivery	
I. Article Addressed to:	D. is delivery address different from item? ? Yes if YES enter delivery the second of the livery address delivery the livery the livery address different from item? ? Yes if YES enter delivery the livery the livery the livery the livery address different from item? ? Yes if YES enter delivery the livery the	
JAS Oil and Gas Company, LLP c/o Kurt Sommer, Esq. Post Office Box 1984 Santa Fe, New Mexic-1984	3. Service Type Certified	
5/16/2006 3:26 PM	4. Restricted Delivery? (Extra Fee) Yes	



Ranne B. Miller Alice T. Lorenz Stephen M. Williams Stephan M. Vidmar Seth V. Bingham Timothy R. Briggs Rudolph Lucero Deborah A. Solove Gary L. Gordon Lawrence R. White Virginia Anderman Marte D. Lightstone J. Scott Hall* Thomas R. Mack

Thomas M. Domme

Ruth O. Pregenzer Jeffrey E. Jones James J. Widland Bradley D. Tepper** Robin A. Goble James R. Wood Dana M. Kyle Kirk R. Allen Ruth Fuess H. Brook Laskey Paula G. Maynes M. Dylan O'Reilly Jennifer D. Hall Todd A. Schwarz

Scott P. Hatcher Ann M. Conway Randall J. McDonald Robert H. Clark Richard L. Alvidrez Kelsey D. Green Marcy Baysinger Caroline Blankenship Matthew S. Rappaport Karen E. Wootton Somer K. Chvz. Joseph L. Romero Kelly A. Stone

Deron B. Knoner

Patricia A. Bradley

T. Aaron Garrett Amy P. Hauser Rebecca M. Alves Counsel

James B. Collins Robert D. Taichert

Of Counsel

William K. Stratvert Sharon P. Gross

Reply to Santa Fe

150 Washington Ave., Suite 300 Santa Fe, NM 87501

Mailing Address: P.O. Box 1986 Santa Fe, NM 87504-1986

Telephone: (505) 989-9614 Facsimile: (505) 989-9857

Writer's Direct E-Mail: shall@mstlaw.com

* Board Certified Specialist: Natural Resources - Oil & Gas Law ** Board Certified Specialist: Real Estate Law

Nell Graham Sale

May 16, 2006

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Joseph A. Sommer Revocable Trust c/o Kurt Sommer, Esq. Post Office Box 1984 Santa Fe, New Mexico 87504-1984

Re:

NMOCD Case No. ; Application of Energen Resources Corporation for

Compulsory Pooling, Rio Arriba County, New Mexico

Dear Mr. Sommer:

This will advise that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division seeking an order pooling all mineral interests in the Mesaverde formation underlying the W/2 of Section 2, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico. These lands are to be dedicated to Applicant's McCroden C 31 Well which was previously drilled to the Gallup-Dakota formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Energen Resources Corporation or its designee as operator of the well and a charge for risk involved in recompleting said well. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner at 8:15 a.m. on June 22, 2006, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time. In this regard you should refer to the provisions of NMAC 19.15.14.1211B.

Very truly yours,

MILLER STRATVERT P.A.

7. I windall

J. Scott Hall

JSH/glb Enclosure

•		POSTAGE	\$0.63	POSTMARK OR DATE
	RETURN	RESTRICTED DELIVERY FEE	\$0.00	
	RECEIPT >	CERTIFIED FEE	\$2.40	
) 	SERVICE	RETURN RECEIPT FEE	\$1.85	•
j	SENT TO:	TOTAL POSTAGE AND FEE'S	\$4.88	
		Joseph A. Sommer Revo	echie-Irra	SASI
3		Post Office Box 1984 Santa Fe, New Mexic-198 5/16/2006 3:51 PM	9002	9 I YAM

Article Number	A. Signature A. Signature A Agent Addressee	
7161 8863 9710 0000 4304	B. Received by (Printed Name) C. Date of Delivery	
Article Addressed to: Joseph A. Sommer Revocable Trust	D. Is delivery/address different from fem 1? Yes If YES enter delivery address below: No	
c/o Kurt Sommer, Esq. Post Office Box 1984 Santa Fe, New Mexic-1984	3. Service Type	
5/16/2006 3:51 PM	4. Restricted Delivery? (Extra Fee) Yes	



Ranne B. Miller
Alice T. Lorenz
Stephen M. Williams
Stephan M. Vidmar
Seth V. Bingham
Timothy R. Briggs
Rudolph Lucero
Deborah A. Solove
Gary L. Gordon
Lawrence R. White
Virginia Anderman
Marte D. Lightstone
J. Scott Hall*
Thomas R. Mack
Thomas M. Domme

Ruth O. Pregenzer
Jeffrey E. Jones
James J. Widland
Bradley D. Tepper**
Robin A. Goble
James R. Wood
Dana M. Kyle
Kirk R. Allen
Ruth Fuess
H. Brook Laskey
Paula G. Maynes
M. Dylan O'Reilly
Jennifer D. Hall
Todd A. Schwarz

Scott P. Hatcher
Ann M. Conway
Randall J. McDonald
Robert H. Clark
Richard L. Alvidrez
Kelsey D. Green
Marcy Baysinger
Caroline Blankenship
Matthew S. Rappaport
Karen E. Wootton
Somer K. Chyz
Joseph L. Romero
Kelly A. Stone

Deron B. Knoner

Patricia A. Bradley

T. Aaron Garrett Amy P. Hauser Rebecca M. Alves Counsel

James B. Collins Robert D. Taichert

Of Counsel

William K. Stratvert Sharon P. Gross Reply to Santa Fe

150 Washington Ave., Suite 300 Santa Fe, NM 87501

Mailing Address: P.O. Box 1986 Santa Fe, NM 87504-1986

Telephone: (505) 989-9614 Facsimile: (505) 989-9857

Writer's Direct E-Mail: shall@mstlaw.com

Nell Graham Sale

May 16, 2006

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Amadito Valdez 629 22nd Street, Apt. 4 Ogden, Utah 84401

Re:

NMOCD Case No. _____; Application of Energen Resources Corporation for

Compulsory Pooling, Rio Arriba County, New Mexico

Dear Mr. Valdez:

This will advise that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division seeking an order pooling all mineral interests in the Mesaverde formation underlying the W/2 of Section 2, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico. These lands are to be dedicated to Applicant's McCroden C 31 Well which was previously drilled to the Gallup-Dakota formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Energen Resources Corporation or its designee as operator of the well and a charge for risk involved in recompleting said well. A copy of the application is enclosed.

This application will be set for hearing before a Division Examiner at 8:15 a.m. on June 22, 2006, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time.

Very truly yours,

MILLER STRATVERT P.A.

1. Scott Hall

JSH/glb Enclosure

^{*} Board Certified Specialist: Natural Resources - Oil & Gas Law

^{**} Board Certified Specialist: Real Estate Law

POSTAGE POSTMARK OR DATE \$0.63 **RETURN** RESTRICTED DELIVERY FEE \$0.00 RECEIPT CERTIFIED FEE \$2.40 SERVICE RETURN RECEIPT FEE \$1.85 TOTAL POSTAGE AND FEE'S SENT TO: \$4.88 SASI Amadito Valdez 629 22nd Street 900S 9 I YAM Ogden, Utah 84401 5/16/2006 3:37 PM **PS FORM 3800**

> UNITED STATES POSTAL SERVICE...

RECEIPT FOR CERTIFIED MAIL
NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL
(SEE OTHER SIDE)

	A Signature X Andresse		
7161 8563 9710 0000 4281	B. Received by (Printed Name) C. Date of Deliver		
Article Addressed to:	D. is delivery address different from item 1? Yes If YES enter delivery address below: No		
Street Street			
Amadito Valdez 629 22nd Street, Apt. 4 Ogden, Utah 84401	3. Service Type Certified		
5/16/2006 3:37 PM	4. Restricted Delivery? (Extra Fee) Yes		



Ranne B. Miller Alice T. Lorenz Stephen M. Williams Stephan M. Vidmar Seth V. Bingham Timothy R. Briggs Rudolph Lucero Deborah A. Solove Gary L. Gordon Lawrence R. White Virginia Anderman Marte D. Lightstone J. Scott Hall* Thomas R. Mack

Thomas M. Domme

Ruth O. Pregenzer Jeffrey E. Jones James J. Widland Bradley D. Tepper** Robin A. Goble James R. Wood Dana M. Kyle Kirk R. Allen Ruth Fuess H. Brook Laskey Paula G. Maynes M. Dylan O'Reilly Jennifer D. Hall Todd A. Schwarz

Nell Graham Sale

Scott P. Hatcher Ann M. Conway Randall J. McDonald Robert H. Clark Richard L. Alvidrez Kelsey D. Green Marcy Baysinger Caroline Blankenship Matthew S. Rappaport Karen E. Wootton Somer K. Chyz Joseph L. Romero Kelly A. Stone Deron B. Knoner

Patricia A. Bradley

T. Aaron Garrett Amy P. Hauser Rebecca M. Alves Counsel James B. Collins Robert D. Taichert Of Counsel

William K. Stratvert Sharon P. Gross

Reply to Santa Fe

150 Washington Ave., Suite 300 Santa Fe, NM 87501

Mailing Address: P.O. Box 1986 Santa Fe, NM 87504-1986

Telephone: (505) 989-9614 Facsimile: (505) 989-9857

Writer's Direct E-Mail: shall@mstlaw.com

Board Certified Specialist: Natural Resources - Oil & Gas Law Board Certified Specialist: Real Estate Law

May 16, 2006

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Josie M. Gallegos 105 Brook Terrace Freemont, CA 94538

Re:

: Application of Energen Resources Corporation for NMOCD Case No.

Compulsory Pooling, Rio Arriba County, New Mexico

Dear Ms. Gallegos:

This will advise that Energen Resources Corporation has filed an Application with the New Mexico Oil Conservation Division seeking an order pooling all mineral interests in the Mesaverde formation underlying the W/2 of Section 2, Township 25 North, Range 3 West, NMPM, Rio Arriba County, New Mexico. These lands are to be dedicated to Applicant's McCroden C 31 Well which was previously drilled to the Gallup-Dakota formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Energen Resources Corporation or its designee as operator of the well and a charge for risk involved in recompleting said well. A copy of the application is enclosed.

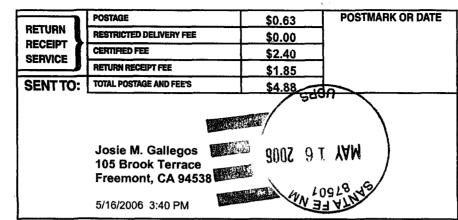
This application will be set for hearing before a Division Examiner at 8:15 a.m. on June 22, 2006, at the New Mexico Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico. You are not required to attend this hearing, but as an owner of an interest that may be affected, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging this application at a later time.

Very truly yours,

MILLER STRATVERT P.A.

7. I wis dall J. Scott Hall

JSH/glb Enclosure



PS FORM 3800



RECEIPT FOR CERTIFIED MAIL

)0



7161 8863 9710 0000 4298

Josie M. Gallegos 105 Brook Terrace Freemont, CA 94538

\$ 04.880

0004337276 MAY 16 2006 MAILED FROM ZIPCODE 87501

30 05/26/06

SENDER NOT KNOWN FORWARD

BC: 87504198686

*0969-09989-15-40

քինինահենքիավոհունհերևվեներություն

34534+5313-05₇5

NIXIE

STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF ENERGEN RESOURCES CORPORATION FOR COMPULSORY POOLING RIO ARRIBA COUNTY, NEW MEXICO

CASE NO	

APPLICATION

ENERGEN RESOURCES CORPORATION, by its undersigned attorneys, Miller, Stratvert P.A., (J. Scott Hall) hereby makes application pursuant to NMSA 1978 Section 70-2-17 (1995) for an order pooling all interests in the Mesaverde formation, Blanco-Mesaverde Pool, underlying the W/2 of Section 2, Township 25 North, Range 3 West, Rio Arriba County, New Mexico, to form a standard 356.75 acre gas spacing and proration unit. Applicant would show the Division:

- 1. Applicant owns certain working interests in and under the W/2 of Section 2, and has the right to drill thereon.
- 2. Applicant proposes to dedicate the above-referenced pooled unit to its McCroden C #1 Well previously drilled to the Gallup/Dakota formation at surface and bottom-hole locations 2146' from the south line and 1650' from the west line and re-complete the well in order to test the Mesaverde formation underlying the W/2 of Section 2, Township 25 North, Range 34 West, Rio Arriba County, New Mexico.
- 3. Applicant has been unable to obtain leases or voluntary agreement for pooling or farmout from certain other interest owners in the above-referenced formations underlying the W/2 of said Section 2.

4. In order to permit the Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, the mineral interests should be pooled and Applicant should be designated operator of the well.

5. The pooling of interests will afford the Applicant the opportunity to produce its just and equitable share of hydrocarbons underlying the spacing unit, will avoid the drilling of unnecessary wells, will prevent waste and will protect correlative rights.

WHEREFORE Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on June 22, 2006 and that after notice and hearing as required by law, the Division enter its Order pooling the lands, including provisions for Applicant to recover its costs of drilling, equipping and completing the well, its costs of supervision while drilling and after completion, including overhead charges and providing for adjustments to such rates in accordance with accepted COPAS accounting procedures, and imposing a 200% risk factor for the risk assumed by the Applicant in drilling, completing and equipping the well, and making such other and further provisions as maybe proper in the premises.

MILLER STRATVERT P.A.

By:

J. Scott Hall

Attorneys for Energen Resources Corporation

1.) wy wall

Post Office Box 1986

Santa Fe, New Mexico 87504-1986

(505) 989-9614

G:\Data\Clients\6621\New Matters Pending\McCrodenApplication.doc