

January 14, 2014

New Mexico Oil Conservation Division
Attn: Mr. Charlie Perrin
1000 Rio Brazos Road
Aztec, NM 87410

RCVD JAN 16 '14
OIL CONS. DIV.
DIST. 3

Jicarilla 89 #5A
Unit I, Section 14, T27N, R03W
Rio Arriba County, New Mexico
Blanco-Mesaverde (72319) & Gavilan P.C. (77360)
DHC-~~3799~~ AZ 3744
API# 30-039-22800

Mr. Perrin:

Energen Resources finished a pay add and down hole commingling operations on the subject well, in accordance with the approved Notice of Intent.

Prior to commingling operations, the Blanco-Mesaverde was producing at a stabilized rate of about 20 MCFPD and less than 1/4 BOPD. The Gavilan PC was added in April 2013. The well has stabilized at a rate of about 35 MCPD and about 1/2 BOPD. The following allocation is recommended (see attached production plot):

	<u>Gas</u>	<u>Oil</u>
Blanco-Mesaverde	57%	20%
Gavilan PC	43%	80%

If additional information is needed, please contact me at 505-325-6800.

Sincerely,



Adam Klem
District Engineer

LEASE: JICARILLA 89 5A MV-PC

