January 24, 2014

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

RCVD JAN 30'14 OIL CONS. DIV. DIST. 3

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Jicarilla 95 #1C Unit B, Section 35, T27N, R03W Rio Arriba County, New Mexico Blanco-Mesaverde (72319) & Gavilan P.C. (77360) DHC-3753AZ API# 30-039-26586

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 120 MCFPD and less than ¹/₄ BOPD. The Gavilan PC was added in April 2013. The well has stabilized at a rate of about 287 MCPD and about 1/2 BOPD. The following allocation is recommended (see attached production plot):

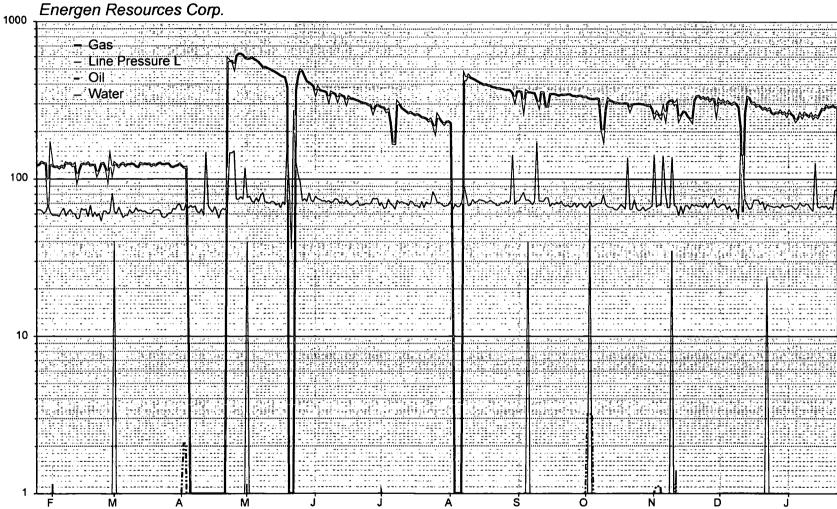
	<u>Gas</u>	<u>Oil</u>
Blanco-Mesaverde	42%	40%
Gavilan PC	58%	60%

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

Sincerely,

Adam Klem District Engineer

LEASE: JICARILLA 95 1C GL-MV-PC



2014