February 17, 2014

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RCVD FEB 19'14 OIL CONS. DIV. DIST. 3

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

> Jicarilla 96 #6B Unit K, Section 02, T26N, R03W Rio Arriba County, New Mexico Blanco-Mesaverde (72319) & Gavilan P.C. (77360) DHC-3772 AZ API# 30-039-26551

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 146 MCFPD and less than ¹/₄ BOPD. The Gavilan PC was added in May 2013. The well has stabilized at a rate of about 230 MCPD and about 3/4 BOPD. The following allocation is recommended (see attached production plot):

	<u>Gas</u>	<u>Oil</u>
Blanco-Mesaverde	63%	25%
Gavilan PC	37%	75%

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

Sincerely,

Adam Klem District Engineer

LEASE: JICARILLA 96 6B MV-PC

