

February 18, 2014

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

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

WFA  
Jicarilla 96 #7B  
Unit E, Section 01, T26N, R03W  
Rio Arriba County, New Mexico  
Blanco-Mesaverde (72319) & Gavilan P.C. (77360)  
DHC-3788 AZ  
API# 30-039-26571

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 37 MCFPD and less than ¼ BOPD. The Gavilan PC was added in May 2013. The well has stabilized at a rate of about 75 MCPD and about 1/2 BOPD. The following allocation is recommended (see attached production plot):

	<u>Gas</u>	<u>Oil</u>
Blanco-Mesaverde	49%	50%
Gavilan PC	51%	50%

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

Sincerely,



Adam Klem  
District Engineer

LEASE: JICARILLA 96 7B MV-GL-PC

