February 21, 2014

RCVD FEB 25 '14

OIL CONS. DIV.

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

Jicarilla 95 #1A
Unit P, Section 35, T27N, R03W
Rio Arriba County, New Mexico
Blanco-Mesaverde (72319) & Gavilan P.C. (77360)
DHC-3829 AZ
API# 30-039-21243

3823

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 80 MCFPD and less than ¼ BOPD. The Gavilan PC was added in July 2013. The well has stabilized at a rate of about 153 MCPD and about 1/2 BOPD. The following allocation is recommended (see attached production plot):

Blanco-Mesaverde 52% 50% 50% 50%

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

Sincerely,

Adam Klem District Engineer

LEASE: JICARILLA 95 1A MV-PC

