February 21, 2014

RCVD FEB 26'14 DIL CONS. DIV. DIST. 3

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

Jicarilla 96 #2A
Unit P, Section 02, T26N, R03W
Rio Arriba County, New Mexico
Blanco-Mesaverde (72319) & Gavilan P.C. (77360)
DHC-3810 AZ
API# 30-039-21237

## 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 83 MCFPD and less than ¼ BOPD. The Gavilan PC was added in June 2013. The well has stabilized at a rate of about 101 MCPD and about 1.5 BOPD. The following allocation is recommended (see attached production plot):

 Gas
 Oil

 Blanco-Mesaverde
 82%
 20%

 Gavilan PC
 18%
 80%

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

Sincerely,

Adam Klem District Engineer

LEASE: JICARILLA 96 2A MV-PC

