


April 7, 2006

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

San Juan 30-4 #55
Unit I, Section 9, T30N, R4W
Rio Arriba County, New Mexico
East Blanco Pictured Cliffs (72400) & Basin Fruitland Coal (71629)
DHC 1868AZ
API# 30-039-27280

 Dear Mr. Hayden:

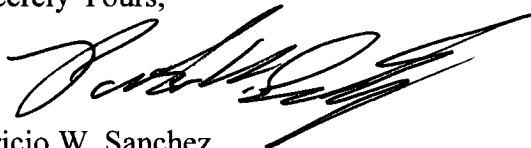
Energen Resources recently finished a pay add and down hole commingling operations on the subject well. In accordance with the approved Notice of Intent dated April 12, 2005 in accordance with Order#R-11363. *DHC 1868AZ*

Prior to commingling operations, the Fruitland Coal was producing at a stabilized rate of about 8 MCFPD and about 0 BOPD. The Pictured Cliffs was added in September 23, 2005. The well had stabilized at a rate of about 110 MCPD and about 0 BOPD. The following allocation is recommended (see attached production plot):

	<u>Gas</u>	<u>Oil</u>
Pictured Cliffs	90%	100%
Fruitland Coal	10%	N/A

If additional information is needed, please contact me at 505-566-4685.

Sincerely Yours,


Patricio W. Sanchez
District Engineer

C wellfile, Matthew Halbert – BLM FFO



LEASE: SAN JUAN 30-4 UNIT 55
FIELD: PC/FRC

Energizer Resources Corp.

