


April 30, 2007

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

 Jicarilla 95 #3B  
Unit N, Section 35, T27N, R3W  
Rio Arriba County, New Mexico  
Blanco-Mesaverde (72319) & WC Basin Mancos (97232)  
DHC 3835  
API# 30-039-26550

Dear Mr. Hayden:

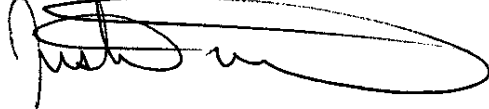
Energen Resources recently finished a pay add and down hole commingling operations on the subject well in accordance with administrative approval given on December 14, 2006.

Prior to commingling operations, the Blanco-Mesaverde was producing at a stabilized rate of about 200 MCFPD and about 0 BOPD. The WC Basin Mancos was added in March 7, 2007. The well had stabilized at a rate of about 260 MCFPD and 0 BOPD. The following allocation is recommended (see attached production plot):

	<u>Gas</u>	<u>Oil</u>
Blanco-Mesaverde	77%	50%
WC Basin Mancos	23%	50%

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

Sincerely Yours,



Justin M. Stolworthy  
District Engineer



C wellfile, BLM FFO

LEASE: JICARILLA 95 3B  
FIELD: MV-GL

Energex Resources Corp.

— Gas  
— Line Pressure L  
— Oil  
— Water

W.V. @ 200 MCFPD

