



November 22, 2002

New Mexico Oil Conservation Division
1000 Rio Brazos Road
Aztec, New Mexico 87410

Jicarilla 123C #28
Unit J, Section 6, T 25 N, R 4 W
Rio Arriba Co., New Mexico
Blanco Mesa Verde (72319) & W. Lindrith Gallup-Dakota (39189)
Administrative Order R-11363, DHC 542AZ
API # 30-039-22558

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Dear Mr. Hayden:

Energgen Resources recently finished a pay add and down hole commingling operations on the subject well. In accordance to the approved Administrative Order, the supervisor of the Aztec District Office of the NMOCD shall determine the proper production allocation.

Prior to commingling operations, the Gallup-Dakota produced at a stabilized rate of 30 MCFD & 1 BOPD. The Mesa Verde was added in March 2002 and the well returned to production in April. The well has stabilized at a rate of 206 MCFD & 2 BOPD. The following allocation is recommended:

	Gas	Oil
Mesa Verde	85%	50%
Gallup-Dakota	15%	50%

If additional information is needed, please contact me.

Sincerely Yours;

Gary W. Brink
General Manager- San Juan