



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
AZTEC DISTRICT OFFICE
1000 RIO BRAZOS ROAD
AZTEC NM 87410
(505) 334-6178 FAX: (505) 334-6170
[http://emnr.state.nm.us/ocd/District III/3ddistrict.htm](http://emnr.state.nm.us/ocd/District%20III/3ddistrict.htm)

GARY E. JOHNSON
Governor

Jennifer A. Sallsbury
Cabinet Secretary

March 8, 1999

Mr Gary Brink
Energen Resources
2198 Blmfld Hwy
Farmington NM 87401

Re: Jicarilla 96 #7, API# 30-039-06659, M-01-26N-03W, DHC

Dear Mr. Brink:

Your recommended allocation of commingled production for the referenced well is hereby accepted as follows:

	Gas	Oil
Pictured Cliffs	10%	0%
Mesaverde	90%	100%

Yours truly,

Ernie Busch
District Geologist/Deputy O&G Inspector

EB/mk

cc: well file
Jim Lovato, Farmington BLM
David Catanach, NMOCD Santa Fe

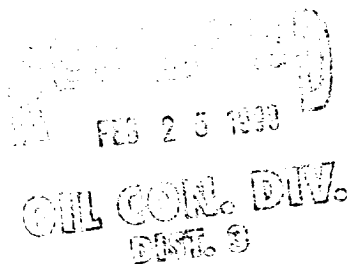


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Jic 96 #7. dhc

February 23, 1999

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



Jicarilla 96 #7
Unit M, Section 1, T 26 N, R 3 W
Rio Arriba Co., New Mexico
API # 30-039-06659
Gavilan Pictured Cliffs & Blanco Mesa Verde Pools
Administrative Order DHC-2042

Dear Mr. Bush:

We recently completed the field operations to **Add Pay** and downhole commingle the subject well. In accordance to DHC-2042, the supervisor of the Aztec District Office of the NMOCD shall determine the proper production allocation.

Prior to downhole commingling, the Pictured Cliffs was producing a stabilized rate of 15 MCFD. The Lewis Shale was added to the wellbore. The well has stabilized at a combined rate of 150 MCF/D and Trace of Oil. It is recommended the production allocation be as follows:

	Gas	Oil
Pictured Cliffs	10%	0%
Mesa Verde	90%	100%

If additional information is needed, please contact me.

Sincerely Yours;

Gary W. Brink
Production Superintendent