



February 8, 2012

Bureau of Land Management  
Farmington Resource Area  
1235 La Plata Highway  
Farmington, NM 87401

New Mexico Commissioner of Public Lands  
PO Box 1148  
Santa Fe, NM 87501-1148

544

New Mexico Oil Conservation Division  
Energy Minerals Department  
1220 South St. Francis Drive  
Santa Fe, NM 87505

RE: **2012 PLAN OF DEVELOPMENT**  
SAN JUAN 30-4 UNIT, #14-08-001-1056  
RIO ARRIBA COUNTY, NEW MEXICO

Gentlemen:

The following Participating Areas currently exist in the San Juan 30-4 Unit:

<u>Formation</u>	<u>Expansion</u>	<u>Effective Date</u>
Pictured Cliffs	12 <sup>th</sup>	1/1/1974
Mesaverde	1 <sup>st</sup>	8/1/1960
Mesaverde "A"	4 <sup>th</sup>	9/1/2000
Fruitland Coal	1 <sup>st</sup>	9/4/2003

By letter dated February 4, 2011, the Plan of Development (POD) for the calendar year 2011 was filed by Energen Resources Corporation as Unit Operator and provided for the following activity:

<u>Well Name</u>	<u>Formation</u>	<u>Dedication</u>	<u>Type</u>	<u>Status</u>
San Juan 30-4 Unit 102H	Fruitland Coal	Sec 8 & 17-T30N-R4W Spacing Unit: E/2 of Sec. 8 Surf: Sec 17, NENE BHL: Sec. 8, NWNE	New Drill – Horizontal	Spud 4/114/2011 First Delivered 8/17/2011
San Juan 30-4 Unit 106H	Fruitland Coal	N/2, Sec 17, T30N-R4W	New Drill - Horizontal	Carry over to 2012
San Juan 30-4 Unit 64	Pictured Cliffs	Sec 21 & 22, T30N, R4W Spacing Unit: SE/4 of Sec 21 & SW/4 of Sec 22 Surf: Sec 21, SESW BHL: Sec 22, SESW	New Drill – Horizontal	Spud 6/30/2010 First Delivered 11/28/2011
San Juan 30-4 Unit Com 63	Pictured Cliffs	Surf. SE Sec 16-T30N-R4W BHL: S/2 Sec 15-T30N-R4W	New Drill – Horizontal	Carry over to 2012

Additionally, the following activity was not shown on the 2011 Plan of Development and should be added:

<u>Well Name</u>	<u>Formation</u>	<u>Description</u>	<u>Type</u>
San Juan 30-4 Unit 17	Pictured Cliffs	Sec. 8, T30N-4W	Plugged & Abandoned 10/25/2011
San Juan 30-4 Unit 50	Pictured Cliffs	Sec. 22, T30N, R4W	Plugged & Abandoned 11/1/2011

As of this date, the total number of wells in the San Juan 30-4 Unit is as follows:

<u>Formation</u>	<u>Producing</u>	<u>Shut In</u>	<u>P&amp;A</u>
Pictured Cliffs	26	2	8
Mesaverde	17	1	
Fruitland Coal	7		4
	<u>51</u>	<u>3</u>	<u>12</u>

Pursuant to Section 10 of the San Juan 30-4 Unit Agreement, Energen Resources Corporation, as Unit Operator, hereby submits the Plan of Development for 2012 as follows:

Well Name	Formation	Dedication	Type
San Juan 30-4 Unit 106H	Fruitland Coal	N/2 of Section 17, T30N-R4W	New Drill - Horizontal
San Juan 30-4 Unit Com 63	Pictured Cliffs	Surf. SE Sec 16-T30N-R4W BHL: S/2 Sec 15-T30N-R4W	New Drill - Horizontal
San Juan 30-4 Unit Com 65H	Pictured Cliffs	Section 28, T30N-R4W	New Drill - Horizontal
San Juan 30-4 Unit Com 66H	Pictured Cliffs	Section 26, T30N-R4W	New Drill - Horizontal
San Juan 30-4 Unit Com 70H	Pictured Cliffs	Section 19, T30N-R4W	New Drill - Horizontal

The Working Interest Owners are being contacted regarding the 2012 Plan of Development.

Energen Resources Corporation, as Unit Operator, plans to drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary or desirable by the Unit Operator and the Working Interest owners.

In accordance with Section 10 of the Unit Agreement, please advise of your approval by executing in the space provided below and returning a copy to the undersigned.

Please contact me at 505-324-4133 if there are any questions regarding this letter.

Sincerely,

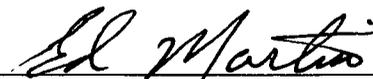
  
 David M. Poage  
 Land Manager

DP/mt

**SAN JUAN 30-4 UNIT 2012 PLAN OF DEVELOPMENT**

APPROVED: \_\_\_\_\_  
 Bureau of Land Management

DATE: \_\_\_\_\_

APPROVED:  \_\_\_\_\_  
 Oil Conservation Division

DATE: 2/14/2012

APPROVED: N/A FOR INFORMATION ONLY  
 COMMISSIONER OF PUBLIC LANDS

DATE: \_\_\_\_\_

SAN JUAN 30-4 UNIT WORKING INTEREST OWNERS

<p>Energen Resources Corporation          2010 Afton Place          Farmington, New Mexico 87401</p>	<p>Providence Minerals LLC          Attn: Karen Herbst          14860 Montfort Drive, Suite 209          Dallas, TX 75254</p>
<p>Burlington Resources Oil &amp; Gas Company LP          P.O. Box 4289          Farmington, New Mexico 87499</p>	<p>Rio AribaGas          c/o Eddie Dreyer Management Co. as Agent          4925 Greenville Avenue Suite 900          Dallas, TX 75206</p>
<p>Dugan Production Corporation          P.O. Box 420          Farmington, New Mexico 87499-0420</p>	<p>Trust of Ruth Zimmerman          Hazel Z. Hart, Trustee          842 Muirlands Vista Way          La Jolla, California 92037</p>
<p>J &amp; M Raymond LTD          Attn: James M. Raymond          P.O. Box 291445          Kerrville, Texas 78029-1445</p>	<p>T. H. McElvain Oil &amp; Gas LLLP          Attn: Nancy Rife          1050 17th Street, Suite 2500          Denver, CO 80265-2080</p>
<p>Charles W. Gay          C/O James M. Raymond          P.O. Box 291445          Kerrville, Texas 78029-1445</p>	<p>Tinmil          c/o Robert P. Tinnin, Jr.          500 Marquette, NW, Suite 1300          Albuquerque, NM 87102</p>
<p>Lorrayn Gay Hacker          C/O James M. Raymond          P.O. Box 291445          Kerrville, Texas 78029-1445</p>	<p>Thomas P. Tinnin          Attn: Mr. Tinnin          2303 Candelaria Road, NW          Albuquerque, NM 87107</p>
<p>TAMACAM LLC          C/O James M. Raymond          P.O. Box 291445          Kerrville, Texas 78029-1445</p>	<p>MAR Oil &amp; Gas Corporation Inc.          P. O. Box 5155          Santa Fe, NM 87502</p>
<p>JABCO LLP          Bank of America NA Agent          PO Box 840738          Dallas, TX 75284-0738</p>	