

January 29, 2013

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

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

RE: **2013 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 th	1/1/1974
Mesaverde	1 st	8/1/1960
Mesaverde "A"	4 th	9/1/2000
Fruitland Coal	1 st	9/4/2003

By letter dated February 8, 2012, the Plan of Development (POD) for the calendar year 2012 was filed by Energen Resources Corporation as Unit Operator and provided for the following activity:

Well Name	Formation	Dedication	Type	Status
San Juan 30-4 Unit 106H	Fruitland Coal	N/2, Sec 17, T30N-R4W	New Drill - Horizontal	Carry over to 2013
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 2013

Additionally, the following activity was not shown on the 2012 Plan of Development and should be added:

Well Name	Formation	Description	Type
San Juan 30-4 Unit 50	Pictured Cliffs	Sec. 22, T30N, R4W	Plugged & Abandoned 7/30/2012
San Juan 30-4 Unit 21	Pictured Cliffs	Sec. 22, T30N, R4W	Plugged & Abandoned 7/24/2012
San Juan 30-4 Unit 64H	Pictured Cliffs	Sec. 22, T30N, R4W	Plugged & Abandoned 10/17/2012

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&A</u>
Pictured Cliffs	27		10
Mesaverde	17	1	
Fruitland Coal	9		4
	53	1	14

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 2013 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 2013 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 2013 PLAN OF DEVELOPMENT

APPROVED: _____
Bureau of Land Management

DATE: _____

APPROVED:  _____
Oil Conservation Division

DATE: 2/1/2013

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

DATE: _____

SAN JUAN 30-4 UNIT WORKING INTEREST OWNERS

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