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March 24, 2008

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 87505

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

RE: **2008 PLAN OF DEVELOPMENT**
LINDRITH UNIT, I SEC. NO. 713
RIO ARRIBA COUNTY, NEW MEXICO

Gentlemen:

By letter dated March 23, 2007, the Plan of Development (POD) for the calendar year 2007 was filed by Energen Resources Corporation as Unit Operator.

No further operations by Energen for the drilling/recompletion or abandonment of wells within the Lindrith Unit are anticipated to be conducted during 2008.

ConocoPhillips Company, (successor to Mobil Exploration and Producing U.S., Inc.) as Sub-Operator of depths below the Pictured Cliffs formation, will separately submit their proposed 2008 POD for the Gallup and Dakota formations.

The Pictured Cliffs Participating Area had its thirteenth expansion. As of this date, there are 78 producing, two shut-in and 18 plugged and abandoned Pictured Cliffs wells in the Lindrith Unit.

Energen owns 100% of the working interest in the Pictured Cliffs Participating Area and believes that all current obligations have been satisfied.

Energen, 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 the undersigned at (505) 325-6800 if there are any questions regarding this letter.

Sincerely,



David M. Poage
District Landman

DP/mt

LINDRITH UNIT 2008 PLAN OF DEVELOPMENT

APPROVED: _____
Bureau of Land Management

DATE: _____

APPROVED:  _____
Oil Conservation Division

DATE: 4/9/08

APPROVED: _____
Commissioner of Public Lands

DATE: _____