



544

February 4, 2011

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: **2011 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 March 11, 2010, the Plan of Development (POD) for the calendar year 2010 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 58	Pictured Cliffs	Sec 9&10-T30N-R4W	New Drill – Horizontal	Spud 6/7/2010 Completed 8/22/2010 First Delivered 9/29/2010
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 Will complete drilling in 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 2011

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

Pictured Cliffs	Producing	25
Pictured Cliffs	P&A	6
Pictured Cliffs	Shut-in	3
Mesaverde	Producing	17
Mesaverde	Shut-in	2
Fruitland Coal	Producing	5
		<u>58</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 2011 as follows:

Well Name	Formation	Dedication	Type
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
San Juan 30-4 Unit 106H	Fruitland Coal	N/2 of Section 17, T30N-R4W	New Drill - Horizontal
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 <i>Spud 6/30/2010, will complete drilling in 2011</i>
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 50	FC?		Plug and Abandon

The Working Interest Owners are being contacted regarding the 2011 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.

Very truly yours,



David Poage  
 District Landman

DP/mt

**SAN JUAN 30-4 UNIT 2011 PLAN OF DEVELOPMENT**

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

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

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

DATE: 2/10/2011

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>Navatex Energy, LP          c/o Zia Data Search Corporation          P.O. Drawer 2188          Roswell, NM 88202</p>
<p>Burlington Resources Oil &amp; Gas Company LP          P.O. Box 4289          Farmington, New Mexico 87499</p>	<p>Providence Minerals LLC          Attn: Karen Herbst          14860 Montfort Drive, Suite 209          Dallas, TX 75240</p>
<p>Dugan Production Corporation          P.O. Box 420          Farmington, New Mexico 87499</p>	<p>Rio ArribaGas          c/o Eddie Dreyer Management Co. as Agent          4925 Greenville Avenue Suite 900          Dallas, TX 75206</p>
<p>J &amp; M Raymond LTD          Attn: James M. Raymond          P.O. Box 291445          Kerrville, Texas 78029-1445</p>	<p>Ruth Zimmerman          Attn: Hazel Hart          842 Muirlands Vista Way          La Jolla, California 92037</p>
<p>Charles W. Gay          C/O James M. Raymond          P.O. Box 291445          Kerrville, Texas 78029-1445</p>	<p>T. H. McElvain Oil &amp; Gas          Attn: Nancy Rife          1050 17th Street, Suite 1800          Denver, CO 80265</p>
<p>Lorrayn Gay Hacker          C/O James M. Raymond          P.O. Box 291445          Kerrville, Texas 78029-1445</p>	<p>The Tinnil, A New Mexico Ltd. Liability Company          c/o Mr. Robert P. Tinnin, Jr.          500 Marquette, NW, Suite 800          Albuquerque, NM 87102</p>
<p>TAMACAM LLC          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>JABCO LLP          Attn: Deborah Coughlin          Bank of America Private Bank          PO Box 2546          Fort Worth, TX 76113-2546</p>	<p>MAR Oil &amp; Gas Corporation          P. O. Box 5155          Santa Fe, NM 87502</p>