

November 10, 2004

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



McCroden A #5  
Unit J, Section 8, T 25 N, R 3 W  
Rio Arriba Co., New Mexico  
Blanco Mesaverde (72319) & West Lindrith Gallup-Dakota (39189)  
Administrative Order R-11363, DHC 1386AZ  
API # 30-039-23245

Dear Mr. Hayden:

Energen Resources recently finished a pay add and down hole commingling operations on the subject well. In accordance with the approved Administrative Order, the supervisor of the Aztec District Office of the NMOCD shall determine the proper production allocation.

Prior to commingling operations, the Gallup-Dakota was producing at a stabilized rate of 24 MCFD & 2 BOPD. The Mesaverde was added in April 2004 and the well was returned to production on May 12, 2004. The well currently has a stabilized rate of 100 MCFD & 2 BOPD. The following allocation is recommended:

	<u>Gas</u>	<u>Oil</u>
Mesaverde	76%	NA
Gallup-Dakota	24%	100%

If additional information is needed, please contact me at 566-4680.

Sincerely Yours,

Charles J. Donahue  
District Engineer