

November 10, 2004

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



McCroden A #4
Unit D, Section 9, T 25 N, R 3 W
Rio Arriba Co., New Mexico
Blanco Mesaverde (72319) & West Lindrith Gallup-Dakota (39189)
Administrative Order R-11363, DHC 1380AZ
API # 30-039-23492

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 16 MCFD & 7 BOPD. The Mesaverde was added in March 2004 and the well was returned to production on March 27, 2004. The well currently has a stabilized rate of 130 MCFD & 7 BOPD. The following allocation is recommended:

	<u>Gas</u>	<u>Oil</u>
Mesaverde	88%	NA
Gallup-Dakota	12%	100%

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

Sincerely Yours,

A handwritten signature in cursive script, appearing to read "Charles J. Donahue".

Charles J. Donahue
District Engineer