

November 12, 2004

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



*[Handwritten mark]*  
Jicarilla 119N #4E  
Unit J, Section 6, T 26 N, R 4 W  
Rio Arriba Co., New Mexico  
BS Mesa Gallup (72920) & Basin Dakota (71599)  
Administrative Order R-11363, DHC 1427AZ  
API # 30-039-23652

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 Dakota was producing at a stabilized rate of 30 MCFD & 0.1 BOPD. The Gallup was added in April 2004 and the well was returned to production on May 11, 2004. The well currently has a stabilized at a rate of 55 MCFD & 0.1 BOPD. The following allocation is recommended:

	<u>Gas</u>	<u>Oil</u>
Gallup	46%	NA
Dakota	54%	100%

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

Sincerely Yours,

Charles J. Donahue  
District Engineer