

October 17, 2011

New Mexico Oil Conservation Division
Attn: Mr. Charlie Perrin
1000 Rio Brazos Road
Aztec, NM 87410



Jicarilla 119N #4M
Unit B, Section 6, T26N, R4W
Rio Arriba County, New Mexico
Blanco-Mesaverde (72319) & Basin Dakota (71599)
Administrative Order R-11363
API# 30-039-31023

Mr. Perrin:

Energgen Resources recently finished completion operations on the subject well. In accordance to the approved C-103, the supervisor of the Aztec District Office of the NMOCD shall determine the proper production allocation.

The well was completed and cleaned out to total depth with both the Mesaverde and Dakota perforations open. The well was tested through a ½" choke for 2 hrs at a stabilized rate of 450 MCFD. The tubing was pulled and an RBP was set below the Mesaverde perforations. The tubing was rerun and the Mesaverde was tested through a ½" choke for 4 hrs at a stabilized rate of 325 MCFD. Both zones produced a trace of oil. The following allocation is recommended:

	<u>Gas</u>	<u>Oil</u>
Blanco-Mesaverde	72%	50%
Basin Dakato	28%	50%

If additional information is needed, please contact me at 505-325-6800.

Sincerely,

Martín Cabrera
District Engineer