

June 12, 2006

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



Hancock #11
Unit P, Section 30, T 28 N, R 9 W
San Juan Co., New Mexico
Aztec Pictured Cliffs (71280) & Otero Chacra (82329)
Administrative Order R-11363, DHC 2115AZ
API # 30-045-26486

Dear Mr. Hayden:

Energien 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 Chacra was producing at a stabilized rate of 9 MCFD & 0 BOPD. The Pictured Cliffs was added in March 2006 and the well was returned to production on April 5, 2006. The well has stabilized at a rate of 55 MCFD & 0 BOPD. The following allocation is recommended:

	<u>Gas</u>	<u>Oil</u>
Pictured Cliffs	84%	NA
Chacra	16%	NA

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

Sincerely Yours,

Charles J. Donahue
District Engineer

Facility Daily Production

Lease: HANCOCK 11

Date Period: 1/1/2003 -- 6/30/2006

