

November 5, 2003

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



Jicarilla 67 #5  
Unit N, Section 29, T 25 N, R 5 W  
Rio Arriba Co., New Mexico  
South Blanco Pictured Cliffs (72439) & Basin Dakota (71599)  
Administrative Order R-11363, DHC 1074AZ  
API # 30-039-05797

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 75 MCFD & 1 BOPD. The Pictured Cliffs was added in February 2003 and the well was returned to production in March 2003. The well has stabilized at a rate of 115 MCFD & 1 BOPD. Decline curve analysis results in a Dakota producing rate of 70 MCFD in November 2003, had the Pictured Cliffs not been completed. The following allocation is recommended:

	<u>Gas</u>	<u>Oil</u>
<b>Pictured Cliffs</b>	<b>35%</b>	<b>NA</b>
<b>Dakota</b>	<b>65%</b>	<b>100%</b>

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