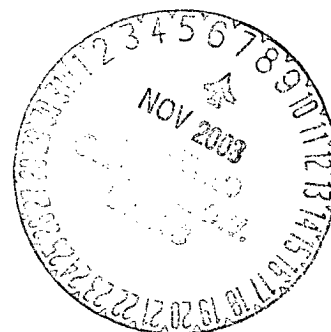


November 5, 2003

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



Jicarilla 99 #7A  
Unit F, Section 13, T 26 N, R 3 W  
Rio Arriba Co., New Mexico  
Blanco Mesa Verde (72319) & Gavilan Pictured Cliffs (77360)  
Administrative Order DHC 3070  
API # 30-039-26305

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 Mesaverde produced at a stabilized rate of 128 MCFD & 2 BOPD. The Pictured Cliffs was added in December 2002 and the well was returned to production in December 2002. The well has stabilized at a rate of 234 MCFD & 2 BOPD. Decline curve analysis results in a Mesaverde producing rate of 110 MCFD in November 2003, had the Pictured Cliffs not been completed. The following allocation is recommended:

	Gas	Oil
Pictured Cliffs	53%	0%
Mesaverde	47%	100%

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

Sincerely Yours,

Charles J. Donahue  
District Engineer