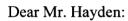


December 26, 2003

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

Carson #4M
Unit N, Section 19, T 30 N, R 4 W
Rio Arriba Co., New Mexico
East Blanco Pictured Cliffs (72400) & Blanco Mesaverde (72319)
Administrative Order R-11363, DHC 852AZ
API # 30-039-26169



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 was producing at a stabilized rate of 175 MCFD & 0 BOPD. The Pictured Cliffs was added in October 2003 and the well was returned to production on October 25, 2003. The well has stabilized at a rate of 560 MCFD & 0 BOPD. The following allocation is recommended:

Pictured Cliffs 69% NA
Mesaverde 31% NA

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

Sincerely Yours,

Charles J. Donahue District Engineer