



March 29, 2010

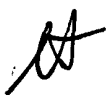
RCVD APR 1 '10

OIL CONS. DIV.

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

DIST. 3

Cullins Federal #5
Unit K, Section 4, T24N, R3W
Rio Arriba County, New Mexico
South Blanco Pictured Cliffs (72439) & West Lindrith Gallup Dakota (39189)
DHC 4007
API# 30-039-24045

 Dear Mr. Hayden:

Energen Resources recently finished a pay add and down hole commingling operations on the subject well, in accordance with the approved Notice of Intent dated March 12, 2008

Prior to commingling operations, the West Lindrith Gallup Dakota was producing at a stabilized rate of about 10 MCFPD and about 2 BOPD. The South Blanco PC was added in May 2009. The well had stabilized at a rate of about 130 MCPD and about 2 BOPD. The following allocation is recommended (see attached production plot):

	<u>Gas</u>	<u>Oil</u>
West Lindrith Gallup Dakota	8%	100%
South Blanco Pictured Cliffs	92%	0%

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

Sincerely,

Martín Cabrera
District Engineer

Note: We will re-evaluate production in six month to determine if production allocation will need to be adjusted.

C wellfile, BLM FFO

LEASE: CULLINS FEDERAL 5 & 2
FIELD: GALLUP DAKOTA

