



February 9, 2005

Bureau of Land Management (3)
Farmington Resource Area
1235 La Plata Highway
Farmington, New Mexico 87401

New Mexico Commissioner of Public Lands (2)
P. O. Box 1148
Santa Fe, New Mexico 87501-1148

New Mexico Oil Conservation Division (2)
Energy & Minerals Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

9030
R-8368

RE: CARRACAS CANYON UNIT, #14-08-001-19596
2005 PLAN OF DEVELOPMENT
RIO ARRIBA COUNTY, NEW MEXICO

Gentlemen:

By letter dated April 12, 2004, the Plan of Development (POD) for the calendar year 2004 was filed by Energen Resources Corporation (Unit Operator) and provided for the drilling of the Carracas Canyon Unit #26B 7, Pictured Cliffs well in the NE⁴ of Section 26-T32N-R4W. The well was drilled, completed and is presently producing. A Commercial Determination Application will be filed once adequate history has been developed on the well.

The following Participating Areas currently exist in the unit:

<u>Formation</u>	<u>Expansion</u>
Fruitland PA	1 st
Fruitland PA B	1 st
Fruitland PA C, D, E	2 nd
Pictured Cliffs PA	Initial
Pictured Cliffs PA B	Initial

As of this date, the total number of wells in the Carracas Canyon Unit are as follows:

Fruitland Coal, Producing	20
Fruitland Coal, T. A.	1
Pictured Cliffs, Producing	7
Dakota, T. A.	<u>1</u>
Total Producing	29

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Pursuant to Section 10 of the Carracas Canyon Unit Agreement, Energen Resources Corporation, as operator, hereby submits a Plan of Development providing for the drilling of the following wells during the calendar year 2005:

<u>Well Name</u>	<u>Location</u>	<u>Formation</u>
Carracas Canyon Unit 10A	SE ⁴ Section 10-T32N-R5W	Fruitland Coal
Carracas Canyon Unit 11A	SW ⁴ Section 11-T32N-R5W	Fruitland Coal
Carracas Canyon Unit 14A	NW ⁴ Section 14-T32N-R5W	Fruitland Coal

The Working Interest Owners are being contacted regarding the 2005 Plan of Development.

Energen Resources Corporation, as Unit Operator, plans to drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary or desirable by the Unit Operator and the Working Interest owners.

In accordance with Section 10 of the Unit Agreement, please advise of your approval by executing in the space provided below and returning a copy to the undersigned.

Please contact me at the number listed if there are any questions regarding this letter.

Very truly yours,


David Poage
District Landman

CARRACAS CANYON UNIT
#14-08-001-19596
2005 Plan of Development
Rio Arriba County, New Mexico

CARRACAS CANYON UNIT 2005 PLAN OF DEVELOPMENT

APPROVED: _____
Bureau of Land Management

DATE: _____

APPROVED: Will Jones
Oil Conservation Division

DATE: 3/31/05

APPROVED: N/A FOR INFORMATION ONLY
COMMISSIONER OF PUBLIC LANDS

DATE: _____

CARRACAS CANYON UNIT
#14-08-001-19596
2005 Plan of Development
Rio Arriba County, New Mexico

**CARRACAS CANYON UNIT
WORKING INTEREST OWNERS**

Seacoast Oil & Gas Incorporated
Attn: Robert Davant
9839 Whitehorn Drive Suite 3
Houston, TX 77095-5007

Dominion Exploration & Production Inc.
Attn: Joe Hammond
14000 Quail Springs Parkway FI 600
Oklahoma City, OK 73134-2616