

February 27, 2009

Bureau of Land Management  
Farmington Resource Area  
1235 La Plata Highway  
Farmington, NM 87401

New Mexico Commissioner of Public Lands  
PO Box 1148  
Santa Fe, NM 87501-1148

New Mexico Oil Conservation Division  
Energy Minerals Department  
1220 South St. Francis Drive  
Santa Fe, NM 87505

RE: **2009 PLAN OF DEVELOPMENT**  
SAN JUAN 30-4 UNIT, #14-08-001-1056  
RIO ARRIBA COUNTY, NEW MEXICO

Gentlemen:

The following Participating Areas currently exist in the San Juan 30-4 Unit:

<u>Formation</u>	<u>Expansion</u>	<u>Effective Date</u>
Pictured Cliffs	12 <sup>th</sup>	1/1/74
Mesaverde	1 <sup>st</sup>	8/1/60
Mesaverde "A"	4 <sup>th</sup>	9/1/00

By letter dated March 24, 2008, the Plan of Development (POD) for the calendar year 2008 was filed by Energen Resources Corporation as Unit Operator and provided for the following activity:

Well Name	Formation	Dedication	Type	Status
San Juan 30-4 Unit 58	Pictured Cliffs	Sec 9&10-T30N-R4W	New Drill – Horizontal	Carry-over to 2009
San Juan 30-4 Unit 62 Formerly San Juan 30-4 Unit 105	Pictured Cliffs Formerly Fruitland Coal	NE/4 Sec 18-T30N-R4W NW/4 Sec 17-T30N-R4W	New Drill – Horizontal	Completed 10/21/2008 First Delivered 11/26/2008
San Juan 30-4 Unit 105 Formerly San Juan 30-4 Unit 105S	Fruitland Coal	E/2 Sec 18-T30N-R4W	New Drill – Horizontal	Carry-over to 2009
San Juan 30-4 Unit 21Z Formerly San Juan 30-4 Unit 21-1	Pictured Cliffs	E/2 Sec 21-T30N-R4W	New Drill – Single	Plugged & Abandoned July 2008
San Juan 30-4 Unit 28C	Mesaverde	E/2 3-T30N-R4W	New Drill – Single	Undrilled
San Juan 30-4 Unit 42C	Mesaverde	E/2 19-T30N-R4W	New Drill – Single	Undrilled

As of this date, the total number of wells in the San Juan 30-4 Unit is as follows:

Pictured Cliffs	Producing	29
Pictured Cliffs	P&A	5
Mesaverde	Producing	18
		<u>52</u>

Pursuant to Section 10 of the San Juan 30-4 Unit Agreement, Energen Resources Corporation, as Unit Operator, hereby submits the Plan of Development for 2009 as follows:

Well Name	Formation	Dedication	Type
San Juan 30-4 Unit 58	Pictured Cliffs	Sec 9&10-T30N-R4W	New Drill – Horizontal
San Juan 30-4 Unit 105	Fruitland Coal	E/2 Sec 18-T30N-R4W	New Drill – Horizontal
San Juan 30-4 Unit Com 63	Pictured Cliffs	Surf. SE Sec 16-T30N-R4W BHL: S/2 Sec 15-T30N-R4W	New Drill – Horizontal

The Working Interest Owners are being contacted regarding the 2009 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

DP/mt

**SAN JUAN 30-4 UNIT 2009 PLAN OF DEVELOPMENT**

APPROVED: \_\_\_\_\_  
Bureau of Land Management

DATE: \_\_\_\_\_

APPROVED:  \_\_\_\_\_  
Oil Conservation Division

DATE: 3/3/09

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

DATE: \_\_\_\_\_

SAN JUAN 30-4 UNIT WORKING INTEREST OWNERS

Energen Resources Corporation 2010 Afton Place Farmington, New Mexico 87401	Navatex Energy, LP c/o Zia Data Search Corporation P.O. Drawer 2188 Roswell, NM 88202
Burlington Resources Oil & Gas Company LP P.O. Box 4289 Farmington, New Mexico 87499	Providence Minerals LLC Attn: Karen Herbst 14860 Montfort Drive, Suite 209 Dallas, TX 75240
Dugan Production Corporation P.O. Box 420 Farmington, New Mexico 87499	Rio ArribaGas c/o Eddie Dreyer Management Co. as Agent 4925 Greenville Avenue Suite 900 Dallas, TX 75206
J & M Raymond LTD Attn: James M. Raymond P.O. Box 291445 Kerrville, Texas 78029-1445	Ruth Zimmerman Attn: Hazel Hart 842 Muirlands Vista Way La Jolla, California 92037
Charles W. Gay C/O James M. Raymond P.O. Box 291445 Kerrville, Texas 78029-1445	T. H. McElvain Oil & Gas Attn: Nancy Rife 1050 17th Street, Suite 1800 Denver, CO 80265
Lorrayn Gay Hacker C/O James M. Raymond P.O. Box 291445 Kerrville, Texas 78029-1445	The Tinmil, A New Mexico Ltd. Liability Company c/o Mr. Robert P. Tinnin, Jr. 500 Marquette, NW, Suite 800 Albuquerque, NM 87102
TAMACAM LLC C/O James M. Raymond P.O. Box 291445 Kerrville, Texas 78029-1445	Thomas P. Tinnin Attn: Mr. Tinnin 2303 Candelaria Road, NW Albuquerque, NM 87107
JABCO, LLP Attn: Debbie Coughlin c/o Nations Bank of Texas, N.A. P.O. Box 2546 Fort Worth, Texas 76113-2546	MAR Oil & Gas Corporation P. O. Box 5155 Santa Fe, NM 87502