



10/15/01 11:12:30

October 15, 2001

Ms. Lori Wrotenbery, Director  
New Mexico Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

RE: CASE 12745 – BASIN DAKOTA GAS POOL  
APPLICATION FOR INCREASED DENSITY AND  
LOCATION REQUIREMENTS  
SAN JUAN BASIN

Dear Ms. Wrotenbory:

Energen Resources Corporation (Energen) is familiar with Burlington Resources Oil & Gas Company and Conoco Inc.'s application requesting increased density and a change in the setback requirements for the Basin Dakota Gas pool. Energen is in support of the proposed changes as they will allow both the Mesaverde and Dakota to be developed simultaneously.

We have found that the incremental cost to deepen a planned Mesaverde to the Dakota is usually justifiable, whereas drilling to the Dakota formation only can often be marginal or not economic. Energen believes the proposed amendment will facilitate the recovery of additional reserves, reduce the number of well bores drilled, (decreasing cost) and minimize surface disturbance.

Sincerely,

A handwritten signature in cursive script that reads "Richard Corcoran".

Richard Corcoran  
District Landman

cc: Burlington