

RCVD JUL 16 '12
OIL CONS. DIV.
DIST. 3

July 10, 2012

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

Jicarilla 95 #7B
Unit F, Section 36, T27N, R03W
Rio Arriba County, New Mexico
Blanco-Mesaverde (72319) & Gavilan P.C. (77360)
DHC-4508
API# 30-039-26854

Mr. Perrin:

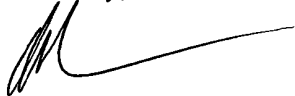
Energien Resources finished a pay add and down hole commingling operations on the subject well, in accordance with the approved Notice of Intent.

Prior to commingling operations, the Blanco-Mesaverde was producing at a stabilized rate of about 75 MCFPD and about 0 BOPD. The Gavilan PC was added in April 2012. The well had stabilized at a rate of about 105 MCPD and about 0 BOPD. The following allocation is recommended (see attached production plot):

	<u>Gas</u>	<u>Oil</u>
Blanco-Mesaverde	70%	50% 100% <i>Per AK</i>
Gavilan PC	30%	0%

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

Sincerely,



Adam Klem
District Engineer

LEASE: JICARILLA 95 7B MV/PC

