February 21, 2014

RCVD FEB 26'14

OIL CONS. DIV.

DIST. 3

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

Jicarilla 96 #8A
Unit D, Section 12, T26N, R03W
Rio Arriba County, New Mexico
Blanco-Mesaverde (72319) & Gavilan P.C. (77360)
DHC-3808 AZ
API# 30-039-21273

Mr. Perrin:

Energen 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 53 MCFPD and less than ¼ BOPD. The Gavilan PC was added in August 2013. The well has stabilized at a rate of about 70 MCPD and about 1 BOPD. The following allocation is recommended (see attached production plot):

	<u>Gas</u>	<u> Oil</u>
Blanco-Mesaverde	76%	50%
Gavilan PC	24%	50%

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

Sincerely,

Adam Klem
District Engineer

LEASE: JICARILLA 96 8A MV/PC

