

April 7, 2006

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

San Juan 30-4 #57
Unit D, Section 15, T30N, R4W
Rio Arriba County, New Mexico
East Blanco Pictured Cliffs (72400) & Basin Fruitland Coal (71629)
DHC 1867AZ
API# 30-039-27281

Dear Mr. Hayden:

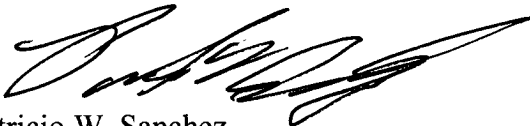
Energen Resources recently finished a pay add and down hole commingling operations on the subject well. In accordance with the approved Notice of Intent dated April 12, 2005 in accordance with Order#R-11363.

Prior to commingling operations, the Fruitland Coal was producing at a stabilized rate of about 0 MCFPD and about 0 BOPD. The Pictured Cliffs was added in September 22, 2005. The well had stabilized at a rate of about 50 MCPD and about 0 BOPD. The following allocation is recommended (see attached production plot):

	<u>Gas</u>	<u>Oil</u>
Pictured Cliffs	95%	100%
Fruitland Coal	5%	N/A

If additional information is needed, please contact me at 505-566-4685.

Sincerely Yours,


Patricio W. Sanchez
District Engineer

C wellfile, Matthew Halbert – BLM FFO



Energen Resources Corp.

LEASE: SAN JUAN 30-4 UNIT 57
FIELD: PC/FRC

400-PL

Oil = 100% - PL
0% - FRL

