

October 22, 2003

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

Re: Carson No. 5A
SE/4 Section 30, T30N, R4W, NMPM,
Rio Arriba County, New Mexico

30-039-26146

Dear Mr. Hayden:

Energen Resources completed down-hole commingling operations on the subject well in September 2001. After producing the well as a Pictured Cliffs/Mesaverde down-hole commingle for a 5 month period, the following allocation percentages were submitted in the attached letter, dated March 13, 2002.


	<u>Gas</u>	<u>Oil</u>
Pictured Cliffs	59%	N/A
Mesaverde	41%	N/A

Recent decline curve analysis indicates that the above percentages are incorrect. Prior to completing the Pictured Cliffs, the Mesaverde was producing at 112 Mcfd on a 15%/yr decline. Extrapolating the data to the current date indicates that the well would be producing at approximately 85 Mcfd, if the Pictured Cliffs had never been completed. The well had an average producing rate of 144 Mcfd from June 2003 through August 2003. Based on this rate, we are changing the allocation percentages to the following.

	<u>Gas</u>	<u>Oil</u>
Pictured Cliffs	41%	N/A
Mesaverde	59%	N/A

A decline curve is attached. If you have any questions or need more information, please contact me at 505-566-4680.

Sincerely,


Charlie Donahue
District Engineer



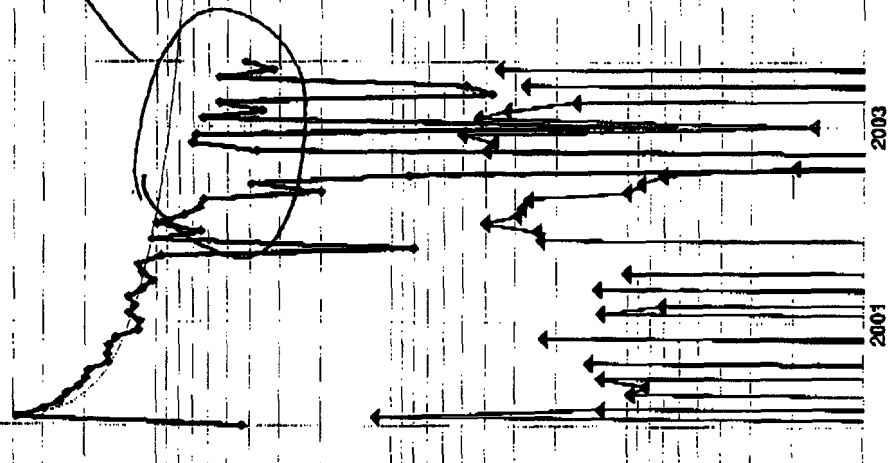
3024 | CARSON | 5A | MESAVERDE | 30N04W30P | O | 3190007A | IG | 01 | PRVDP | ABS6790300 | Null

Gas

Water, bbl/day
Gas, mcf/day
Oil, bbl/day

Results	
Qual	CY04Q1
Ref	8/1/2003
Act	41,725
Est	82,188
Chf	82,513
Qab	4,931
De	2,800,000
Dim	8,128,216
Yrs	0.000
Rem	68,863
Cum	827,695
EUR	14,1328
	768,891

PC Added



Year

March 13, 2002

New Mexico Oil Conservation Division
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Aztec, New Mexico 87410

Carson 5A
Unit P, Section , T 30 N, R 4 W
Rio Arriba Co., New Mexico
East Blanco Pictured Cliffs (72400) & Blanco Mesa Verde (72319)
Administrative Order DHC- 2936
API # 30-039-26146

Dear Mr. Hayden:

Energen Resources recently finished a pay add and down hole commingling operations on the subject well. In accordance to the approved Administrative Order, the supervisor of the Aztec District Office of the NMOCD shall determine the proper production allocation.

Prior to commingling operations, the Mesa Verde produced at a stabilized rate of 112 MCFD. The Pictured Cliffs was added in September 2001 and the well returned to production in October. The well has stabilized at a rate of 270 MCFD. The following allocation is recommended:

	Gas	Oil
Pictured Cliffs	59%	N/A
Mesa Verde	41%	N/A

If additional information is needed, please contact me.

Sincerely Yours;


Gary W. Brink
District Superintendent