

June 22, 2001

New Mexico Oil Conservation Division  
1000 Rio Brazos Road  
Aztec, New Mexico 87410



Jicarilla 96 8B  
Unit E, Section 12, T 26 N, R 3 W  
Rio Arriba Co., New Mexico  
Gavilan Pictured Cliffs & Blanco Mesa Verde Pools  
Administrative Order DHC-2869  
API# 30-039-26572

Dear Mr. Chavez:

In accordance to DHC-2869, Energen Resources Corporation was required to consult with the Aztec office upon completion of this well to determine the fixed allocation method for production. The test data from a 3 hour stabilized choke test during completion are as follows:

Pictured Cliffs 200 MCFD  
Pictured Cliffs & Mesa Verde 1100 MCFD

It is recommended the production be allocated as follows:

<b>Pictured Cliffs</b>	<b>200/ 1100 = .18 or 18% gas</b>
<b>Mesa Verde</b>	<b>900/ 1100 = .82 or 82% gas</b>
<b>Oil Production</b>	<b>100% to Mesa Verde</b>

No show of oil was reported during the Pictured Cliffs test.

If additional information is needed, please contact me.

Sincerely;

  
Gary W. Brink  
District Superintendent