

491

February 8, 2012

Bureau of Land Management
Farmington Resource Area
1235 La Plata Highway
Farmington, NM 87401

New Mexico Commissioner of Public Lands
PO Box 1148
Santa Fe, NM 87501-1148

New Mexico Oil Conservation Division
Energy & Minerals Department
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: **2012 PLAN OF DEVELOPMENT**
SAN JUAN 32-5 UNIT, #14-08-001-534
RIO ARRIBA COUNTY, NEW MEXICO

Gentlemen:

The following Participating Areas currently exist in the unit:

<u>FORMATION</u>	<u>EXPANSION</u>	<u>EFFECTIVE DATE</u>
Mesaverde	8 th	12/1/1962
Dakota	6 th	11/1/1962
Fruitland Coal	9 th	11/1/2006

By letter dated February 4, 2011, the Plan of Development (POD) for the calendar year 2011 was filed by Energen Resources Corporation as Unit Operator and provided for the following activity:

WELL NAME	FORMATION	DEDICATION	TYPE	STATUS
San Juan 32-5 Unit 118H	Fruitland Coal	E/2 Sec 16, T32N, R6W	New Drill	ConocoPhillips drilled: Spud 10/10/2011 First Delivery 1/3/2012

As of this date, the total number of wells in the San Juan 32-5 Unit are as follows:

Mesaverde	Producing	24
Mesaverde	P&A	1
Mesaverde/Dakota	Producing	7
Dakota	Producing	1
Fruitland Coal	Producing	29
Fruitland Coal	Shut-in	1
		<u>63</u>

No further operations by Energen Resources Corporation for the drilling/recompletion or abandonment of wells within the San Juan 32-5 Unit are anticipated to be conducted during calendar year 2012.

Energen Resources Corporation, as Unit Operator, plans to drill any offset wells required to prevent drainage of unitized substances and any other wells deemed necessary or desirable by the Unit Operator and the Working Interest Owners.

2012 PLAN OF DEVELOPMENT

San Juan 32-5 Unit – 14-08-001-534

Rio Arriba County, NM

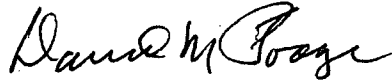
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In accordance with Section 10 of the Unit Agreement, please advise of your approval by executing in the space provided below and returning a copy to the undersigned.

Copies of this letter are being sent to the Working Interest Owners shown on the attached sheet.

Please contact the undersigned at (505) 324-4133 if there are any questions regarding this letter.

Sincerely,



David M. Poage
Land Manager


Enclosures

DP/mt

SAN JUAN 32-5 UNIT 2012 PLAN OF DEVELOPMENT

APPROVED: _____ DATE: _____
Bureau of Land Management

APPROVED: _____ DATE: _____
Commissioner of Public Lands

APPROVED:  _____ DATE: 2/14/2012
Oil Conservation Division

2012 PLAN OF DEVELOPMENT

San Juan 32-5 Unit – 14-08-001-534

Rio Arriba County, NM

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SAN JUAN 32-5 UNIT 12H, WORKING INTEREST OWNER

XTO Energy Inc

Attn: Aaron Austin

810 Houston Street

Fort Worth, TX 76102-6298