



December 6, 2000

Mr. Mark Ashley  
State of New Mexico  
Oil Conversation Division  
2040 South Pacheco  
Santa Fe, New Mexico 87505

Dear Mr. Ashley: (Fax: 505: 827-8177)

Subject: Energen Resources Corporation Ogrid #162928  
Application for Administrative Approval to Inject  
(Expansion of Project #XYFX-581)  
Langlie Lynn Queen Unit Wells #3,5,7,9,12,14,16,18  
Lea County, New Mexico

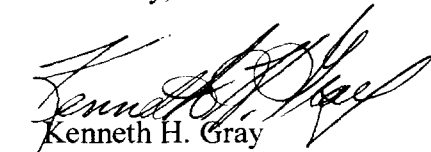
*Case 12614*

As a follow-up to our conversation of this date and to letter of April 14, 2000 and April 20, 2000 Energen elects to exclude well #3 and #9 from our original application. Well #23 was not included in the application as stated in our letter of April 20, 2000. This means Energen's application as revised herein contains no injections wells within a half mile of Lanexco, Inc.'s El Paso State #1 well.

We have not been successful in taking with Mr. W. Thomas Kellahin who is the legal council for Lanexco. He was provided with a copy of this letter. We will continue to make an effort to contact him so if he has any objections the opportunity will be available for him to make them known to you.

We are seeking approval of our original application subject to the revisions outlined herein. Please advise if anything additional is desired or needed to accommodate our request. Your earliest attention to this matter is greatly appreciated.

Sincerely,

  
Kenneth H. Gray  
District Landman  
LLQU-STATE OF NM-M ASHLEY

KHG/pkr

cc: W. Thomas Kellahin (Fax: 505:982-2047)  
Lanexco, Inc. Attn: Robert Lansford (Fax: 505:395-3205)