

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: _____

**San Juan 30-5 Unit #226
SF-078740; API # - 30-039-24965
Unit M, 818' FSL & 1135' FWL
Section 29, T30N, R5W; Rio Arriba County, NM**

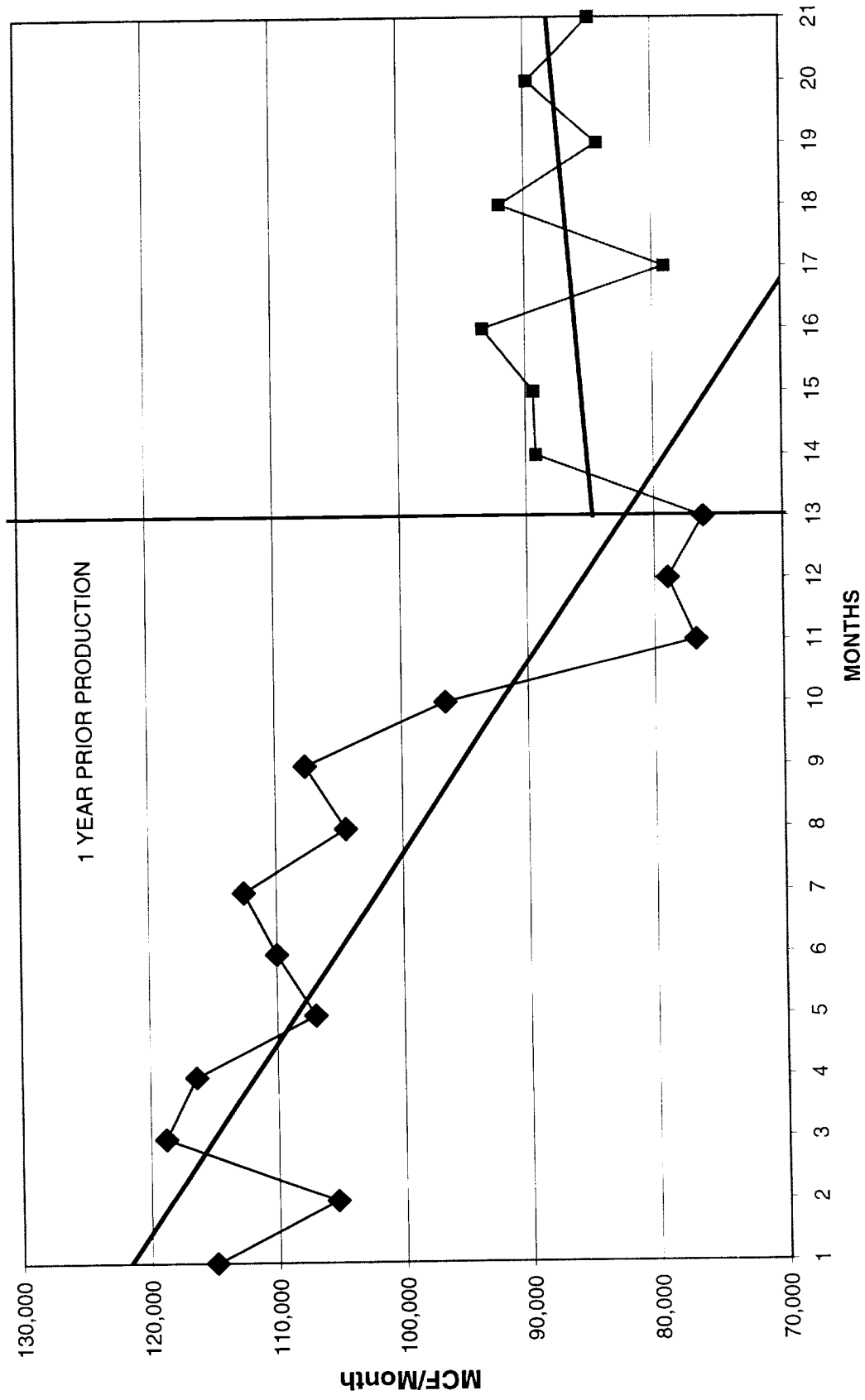
Description of Workover Procedure used to increase production of subject well:

A compressor was installed and the work entailed:

1. Taking exiting surface equipment off.
2. Replacing old equipment with bigger equipment, (i.e... bigger separator and flow lines).
3. Installing compressor manifold.
4. Debottlenecking location - eliminating any restrictions between wellhead and meter-run.
5. Installing compressor and hooking up.

The type of compressor installed is Cooper - 305 hp. Work began approx. 10/5/98 and was completed 10/8/98.

30-5 #226 Workover Production Increase



| API # | 30-5 #226 | MCF/Month |
|--------------|-----------|-----------|
| 30-039-24965 | Oct-97 | 114,907 |
| | Nov-97 | 105,386 |
| | Dec-97 | 118,806 |
| | Jan-98 | 116,370 |
| | Feb-98 | 106,978 |
| | Mar-98 | 109,990 |
| | Apr-98 | 112,534 |
| | May-98 | 104,470 |
| | Jun-98 | 107,644 |
| | Jul-98 | 96,519 |
| | Aug-98 | 76,810 |
| | Sep-98 | 78,968 |
| WORK OVER | Oct-98 | 76,189 |
| | Nov-98 | 89,215 |
| | Dec-98 | 89,397 |
| | Jan-99 | 93,353 |
| | Feb-99 | 79,081 |
| | Mar-99 | 91,970 |
| | Apr-99 | 84,257 |
| | May-99 | 89,766 |
| | Jun-99 | 84,906 |