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February 4, 2009

U.S. Department of the Interior
Bureau of Land Management
1235 La Plata Highway, Suite A
Farmington, Nm 87401
Attention: Jim Lovato
Team Leader, Petroleum Management

New Mexico Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87504
Attention: Will Jones
Senior Petroleum Geologist

New Mexico Commissioner of Public Lands
State Land Office
P.O. Box 1148
Santa Fe, Nm 87504-1148
Attn: Jami Bailey, Director
Oil, Gas, and Minerals Division

Re: LA PLATA MANCOS UNIT
2009 PLAN OF DEVELOPMENT

Gentlemen:

Set out below is Summary of Operations for 2008 and Operator's Plan of Development for 2009 for the La Plata Mancos Unit in San Juan County, NM.

1. Summary of Operations

No changes have been made in the geologic interpretations or participating area boundaries, so no new maps are submitted.

LPMU #1 (P-31)

The pumping unit and pumping unit engine was replaced.

The down-hole pump was replaced

Ball valves, bull plugs, and fittings were replaced

The tanks on location were reset on grade band with new gravel

Tank firewall was re-built

A new meter run was installed

The location was graded and cleaned and walkovers installed

LPMU #3 (G-32)

Road into location was repaired and new culvert installed
Location was cleaned & weeded

LPMU#7 (M-29)

The rod string and downhole pump were replaced
A new meter run and EFM were installed
Chemical injector for paraffin control was installed
Tanks were reset on grade band with new gravel and walkovers installed
Tank firewalls were re-built
Location was cleaned, weeded and surface equipment painted

La Plata Mancos Unit Compressor

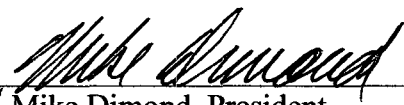
Electric starter installed on the unit compressor located at the #7 (M-29)
location and the surface equipment repainted.

2. Status of all wells is listed on Schedule I attached.
3. Production decline curves are enclosed.
4. We are reviewing new well opportunities and economics but have no recommendation for new wells at this time.
5. The enclosed schedule II shows current and cumulative oil and gas production.

We request your approval of this 2009 Plan of Development.

Sincerely,

BENSON-MONTIN-GREER DRILLING CORP.

By: 
Mike Dimond, President

SCHEDULE I

LA PLATA MANCOS UNIT WELLS
SAN JUAN COUNTY, NEW MEXICO

Well Name	Location - Sec. - Twp - Range	Latitude/Longitude	Status
La Plata Mancos Unit #1 (P-31)	SE/SE Sec. 31, T-32N, R-13W	N36.56.301, W108.14.320	Producing
La Plata Mancos Unit #3 (G-32)	SW/NE Sec. 32, T-32N, R-13W	N36.56.791, W108.13.419	Producing
La Plata Mancos Unit #4 (N-31)	SE/SW Sec. 31, T-32N, R-13W	N36.53.333, W108.14.754	P & A'd
La Plata Mancos Unit #7 (M-29)	SW/SW Sec. 29, T-32N, R-13W	N36.57.116, W108.14.015	Producing

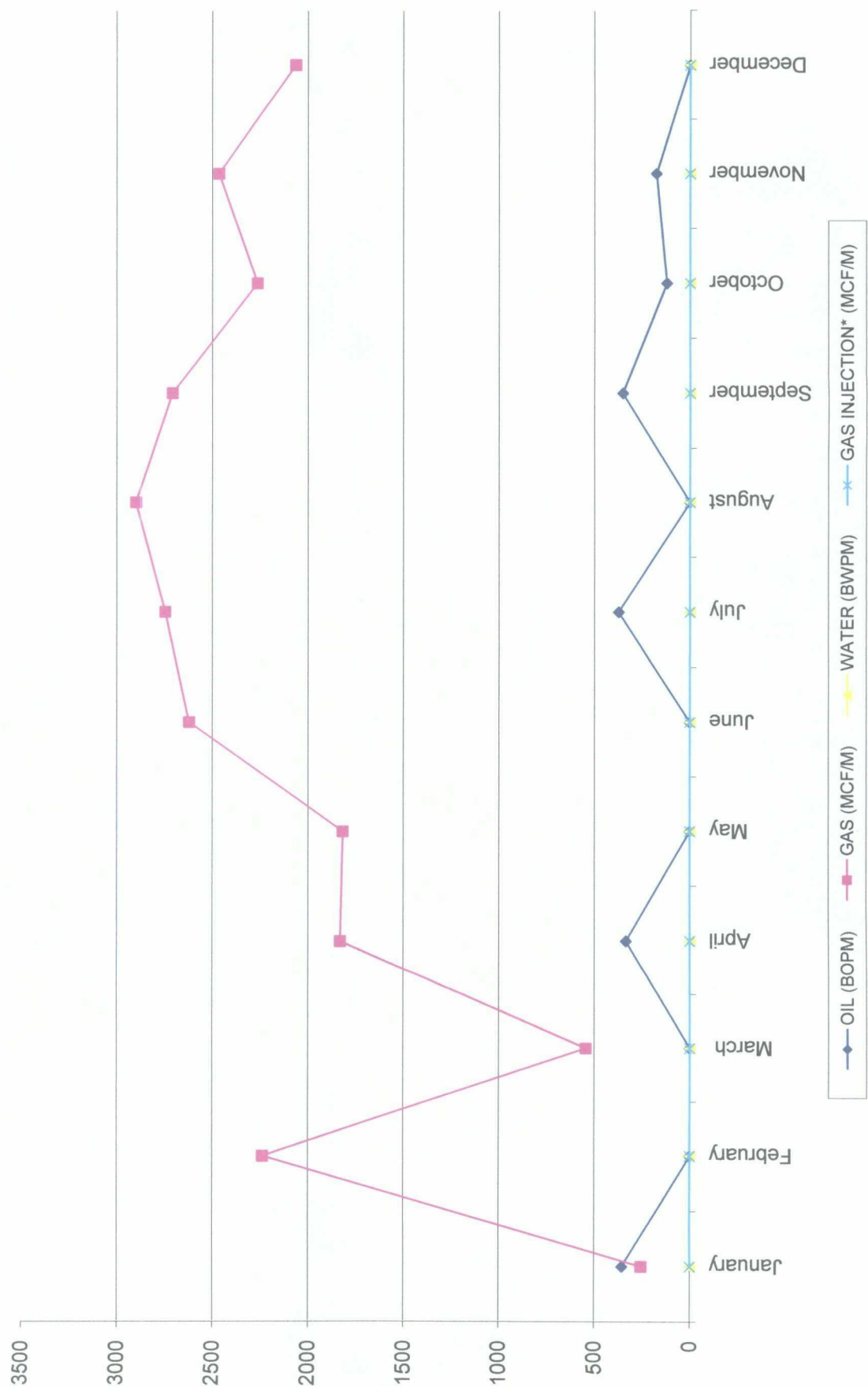
SCHEDULE II
LA PLATA MANCIS UNIT
2007 PRODUCTION STATISTICS

2008 LAPLATA MANCOS UNIT PRODUCTION

	OIL (BOPM)	GAS (MCF/M)	WATER (BWPM)	GAS INJECTION* (MCF/M)
January	355	254	0	0
February	0	2237	0	0
March	0	543	0	0
April	335	1830	0	0
May	0	1817	0	0
June	0	2620	0	0
July	374	2745	0	0
August	0	2898	0	0
September	351	2707	0	0
October	122	2263	0	0
November	177	2464	0	0
December	0	2063	0	0
Total	1,714	24,441	0	0
Cumulative	376,781	669,750	509	308,386

* Gas Injection Discontinued

La Plata Mancos Unit 2008 Production



LPMU

