STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION
POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501

RECEIVED
NOV 24 1992
OIL CONSERVATION DIVISION

FORM C-108
Revised 7-1-81

Case 10648

APPLICATION FOR AUTHORIZATION TO INJECT

I. Purpose: [X] Secondary Recovery [ ] Pressure Maintenance [ ] Disposal [ ] Storage
Application qualifies for administrative approval? [ ] yes [ ] no

II. Operator: Seely Oil Company

Address: 815 W. 10th St., Fort Worth, Tx. 76102

Contact party: David L. Henderson Phone: 817/332-1377

III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? [ ] yes [X] no
If yes, give the Division order number authorizing the project _____.

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

• VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

•VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

• X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)

• XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.

XIV. Certification

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

Name: David L. Henderson Title Vice President

Signature: David L. Henderson Date: November 23, 1992

• If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal. _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate Division

SEELY OIL COMPANY
815 WEST TENTH STREET
FORT WORTH, TEXAS 76102

OIL CONSERVATION DIVISION
FORM C-108

Application of Seely Oil Company
For a Secondary Recovery Project
Central EK Queen Unit Project
Lea County, New Mexico

I. Purpose:

Application is made for authorization to inject water into the Queen formation underlying various leases in Sections 7, 8, 9, 16, 17, and 18 of Township 18 South, Range 34 East, and Sections 12 of Township 18 South, Range 33 East, Lea County, New Mexico, as shown on the enclosed map. This project would be classified as a secondary recovery project for recovering hydrocarbons that cannot be recovered by primary means.

All the wells in the proposed project area are primary depleted. Our engineering studies indicate that the injection of water into the Queen formation underlying these leases will result in the recovery of secondary oil in economic quantities, and should be beneficial to all parties holding any type of interest in the project area.

II. Operator:

Seely Oil Company
815 W. 10th Street
Fort Worth, Texas 76102

Phone Number: (817) 332-1377

III. Injection Well Data:

A well data sheet is attached for each of the wells that we propose for water injection. Five (5) wells are scheduled to be converted to water injection and the locations are as follows:

Section 16-18S-34E	Unit Letter D	330' FNL &	330' FWL
Section 9-18S-34E	Unit Letter L	1980' FSL &	660' FWL
Section 9-18S-34E	Unit Letter M	660' FSL &	660' FWL
Section 7-18S-34E	Unit Letter E	2310' FNL &	660' FWL
Section 12-18S-33E	Unit Letter P	660' FSL &	660' FEL

Schematics are enclosed which show the current construction of these five wells as well as the proposed construction. Two (2) wells are scheduled to be re-entered and returned to water injection and are located as follows:

Section 7-18S-34E Unit Letter F 1650' FNL & 2176' FWL
Section 7-18S-34E Unit Letter G 1650' FNL & 1980' FEL

Schematics are enclosed which show the amount and location of plugs in addition to the proposed construction. Four (4) water injection wells are proposed to be drilled at the following locations:

Section 18-18S-34E Unit Letter B
Section 17-18S-34E Unit Letter D
Section 17-18S-34E Unit Letter B
Section 8-18S-34E Unit Letter L

One schematic, titled "Typical Water Injection Well" is enclosed representing the proposed construction of these four (4) wells to be drilled.

IV. Existing Project:

The proposed project is not an expansion of a previous project.

V. Ownership:

A lease ownership map is enclosed which identifies all wells and lease ownership within two (2) miles of any of the eleven (11) proposed injection wells. A separate map is attached on which the area of review has been identified by drawing a one-half mile circle around each injection well.

VI. Well Data:

There are 62 wells that have been drilled through the Queen formation within the area of review. Thirty have been plugged and abandoned and 32 are producing. Available data for each well is enclosed on the well data sheets as well as all necessary schematics for injection wells and plugged and abandoned wells.

VII. Project Data:

1. The proposed daily average water injection is estimated to be 200 barrels per day for each of the proposed eleven (11) injection wells.

2. All oil and water produced will be separated and stored in covered production tanks and all fresh water used will be stored in a covered steel tank; thus, this is a closed system.

3. Initially the injection wells may take water on a vaccum, but as the reservoir fills a positive surface injection presure will be required to inject water. The maximum injection pressure will also be determined by proposed step-rate pressure tests. At no time prior to the step-rate tests will the injection pressure exceed a pressure limitation of 0.2 PSIG per foot of depth to the top of the injection well.

4. The source of injection fluid will be produced water from the producing wells within the unit and fresh water from the Ogollala aquifier when a fresh water supply well is drilled and completed within the unit boundary.

5. No water compatibility problems are expected since Ogollala water has been successfully injected into the Queen formation in the Murphy H. Baxter North EK Queen Unit and the Mobil EK Queen Unit.

VIII. Stimulation Program:

Each of the currently producing wells has previously received a fracture treatment which are outlined on the enclosed well data sheets.

The wells that will be converted to water injection may require a small clean-up acid treatment in the amount of about 1,000 to 2,000 gallons prior to injection. Any wells that are drilled for injection will be acidized with a small clean-up acid job and fracture treated with 10,000 to 20,000 gallons and 15,000 to 30,000 lbs. sand.

IX. Injection Zone Isolation:

Available engineering and geologic data show no evidence of open faulting or any other hydrologic connection between the injection zone and any underground source of drinking water.

X. Certification:

I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

C. W. Seely, Petroleum Engineer

November 23, 1992

SEELY OIL COMPANY

PROPOSED CENTRAL EK QUEEN UNIT
AREA OF REVIEW
LEA COUNTY, NEW MEXICO

△ PROPOSED WATER INJECTION WELLS

1" = 4,000'

SEELY OIL COMPANY

PROPOSED CENTRAL EK QUEEN UNIT
E-K YATES-SR-Queen Field
LEA COUNTY, NEW MEXICO

1" = 4,000'

WELL DATA SHEET

OPERATOR: Murphy Baxter LEASE: North E.K. Queen Unit Tract 4

WELL NO.: 4 FOOTAGE: 660' FSL & 2310' FEL SECTION: 6-18S-34E O

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 22.7# CEMENTED WITH: 450 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 12-1/4" SETTING DEPTH: 325'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 4-1/2" 9.5# CEMENTED WITH: 380 SX.
TOC: 3200 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 7-7/8" SETTING DEPTH: 4297'

TOTAL DEPTH: 4297'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates-Seven Rivers-Queen
SPUD DATE: 7/7/62 COMPLETION DATE: 7/25/62
PERFORATED: 4220 FEET TO 4240 FEET

STIMULATION: 500 gallons acid, 20,000 gallons oil & 40,000# sand

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: CIBP at 4200' with 5 sxs. cement on plug. Perforate 4 holes at 1700' and squeezed with 50 sxs., tag plug at 1300', 25 sxs. at 340', 10 sxs. at surface.

North EK Queen Unit Tract 4 #4
SW/4 SE/4 Sec. 6-18S-34E
Lea County, New Mexico

SURFACE

500

1000

1500

2000

2500

3000

3500

4000

4500

5000

5500

6000

6500

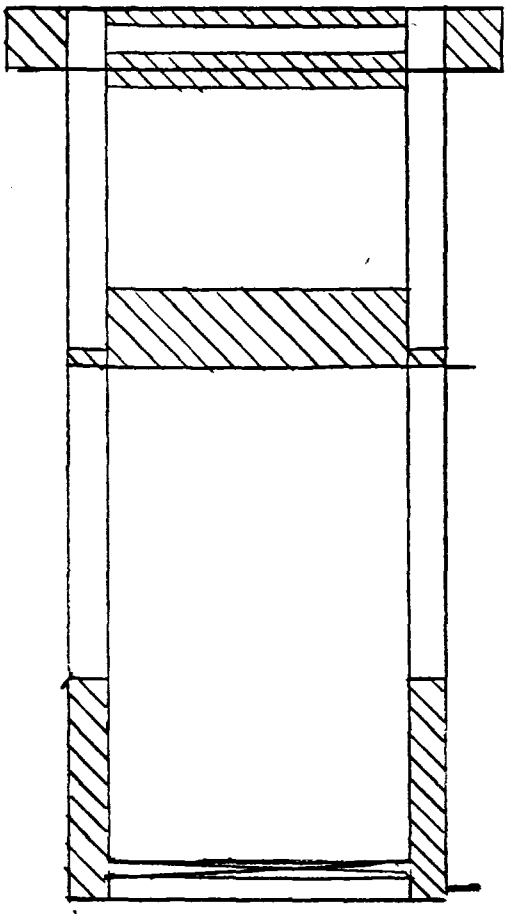
7000

7500

8000

8500

10 sack surface plug



TD 4297'

Cement

8-5/8" surface casing set at 325' with cement circulated.

25 sxs. at 340'

4 squeeze holes at 1700' cemented with 50 sxs. Tagged plug inside casing at 1300'.

CIBP at 4200' with 5 sxs. on plug

Perforations 4220-4240'

4-1/2" production casing set at 4297' with top of cement calculated to be 3200'

WELL DATA SHEET

OPERATOR: Marlo Drilling Co. LEASE: Mobil State

WELL NO.: 1 FOOTAGE: 330' FSL & 990' FEL SECTION: 6-18S-34E P

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 275 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 12-1/4" SETTING DEPTH: 325'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 4-1/2" 10.5# CEMENTED WITH: 150 SX.
TOC: 3700 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 7-7/8" SETTING DEPTH: 4337'

TOTAL DEPTH: 4337'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates-Seven Rivers-Queen
SPUD DATE: 3/1/63 COMPLETION DATE: 3/14/63
PERFORATED: 4257 FEET TO 4265 FEET

STIMULATION: 500 gallons 15% NE acid, 43,000 gallons refined oil and 70,000# sand

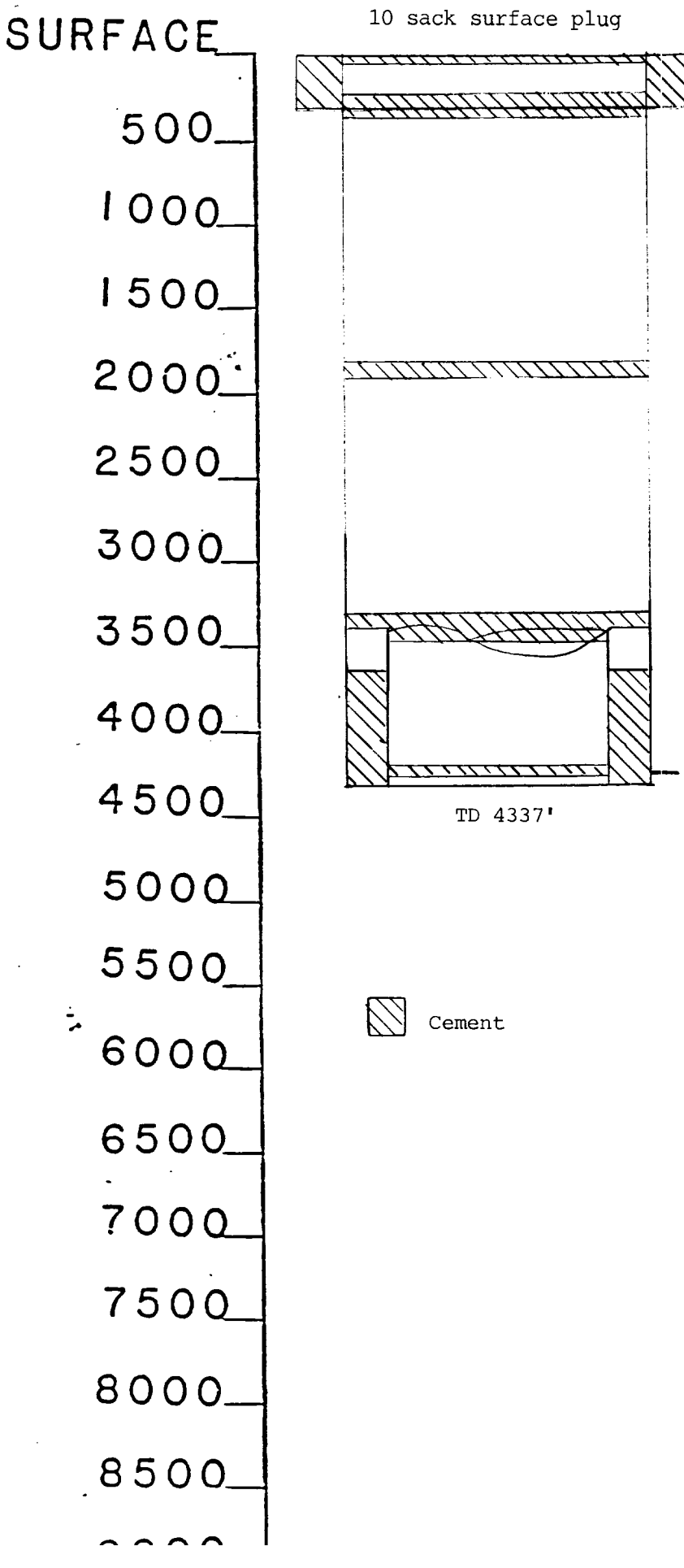
OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 25 sxs. across perfs. Cut and pull casing from 3400', 25 sxs. across casing stub, 25 sxs. at 1845', 25 sxs. across casing shoe, 10 sxs. surface.

Mobil State #1
SE/4 SE/4 Sec. 6--8S-34E P
Lea County, New Mexico



8-5/8" surface casing set at 325' with cement circulated

25 sxs. across 8-5/8" casing shoe

25 sxs. at 1845'

25 sxs. across casing stub at 3400'

Top of cement in annulus estimated to be 3700'

25 sxs. across perforations
Perforations 4257-4265'

4-1/2" production casing set at 4337'

WELL DATA SHEET

OPERATOR: Marlo Drilling Co. LEASE: Mobil State

WELL NO.: 1 FOOTAGE: 330' FSL & 990' FEL SECTION: 6-18S-34E P

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 275 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 12-1/4" SETTING DEPTH: 325'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 4-1/2" 10.5# CEMENTED WITH: 150 SX.
TOC: 3700 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 7-7/8" SETTING DEPTH: 4337'

TOTAL DEPTH: 4337'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates-Seven Rivers-Queen
SPUD DATE: 3/1/63 COMPLETION DATE: 3/14/63
PERFORATED: 4257 FEET TO 4265 FEET

STIMULATION: 500 gallons 15% NE acid, 43,000 gallons refined oil and 70,000# sand

OTHER PERFORATED ZONES: None

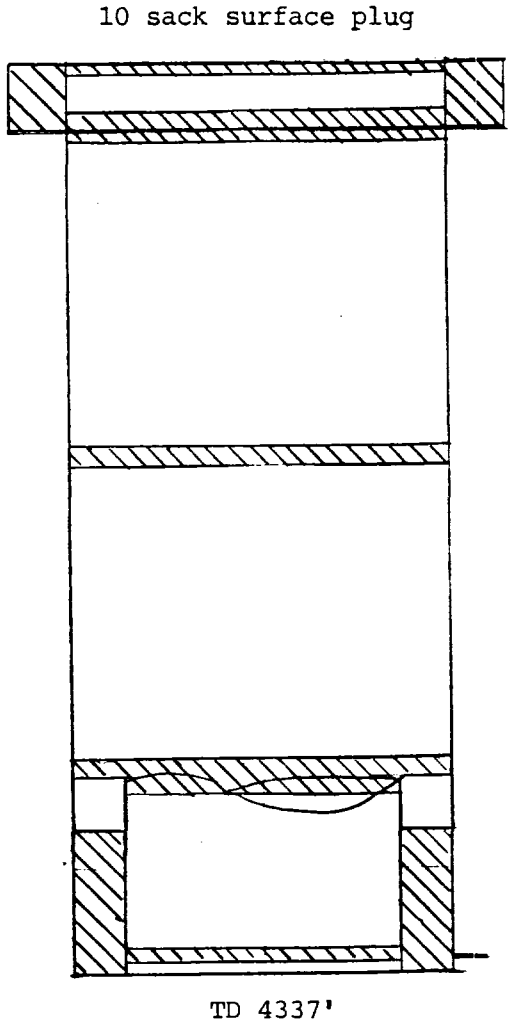
CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 25 sxs. across perfs. Cut and pull casing from 3400', 25 sxs. across casing stub, 25 sxs. at 1845', 25 sxs. across casing shoe, 10 sxs. surface.

Mobil State #1
SE/4 SE/4 Sec. 6--8S-34E
Lea County, New Mexico

SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500



8-5/8" surface casing set at 325' with cement circulated

25 sxs. across 8-5/8" casing shoe

25 sxs. at 1845'

25 sxs. across casing stub at 3400'

Top of cement in annulus estimated to be 3700'

25 sxs. across perforations
Perforations 4257-4265'

4-1/2" production casing set at 4337'

Cement

WELL DATA SHEET

OPERATOR: Murphy Baxter LEASE: N.E. K Queen Unit Tract 4

WELL NO.: 6 FOOTAGE: 330' FNL & 660' FEL SECTION: 7-18S-34E A

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 35.6# CEMENTED WITH: 375 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 322'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 4-1/2" 9.5# CEMENTED WITH: 320 SX.
TOC: 3100 FEET DETERMINED BY: Calculated
HOLE SIZE: 8" SETTING DEPTH: 4343'

TOTAL DEPTH: 4344'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATE: 9/30/62 COMPLETION DATE: 11/8/62
PERFORATED: 4291 FEET TC 4299 FEET

STIMULATION: 500 gallons acid and 20,000 gallons oil and 40,000# sand

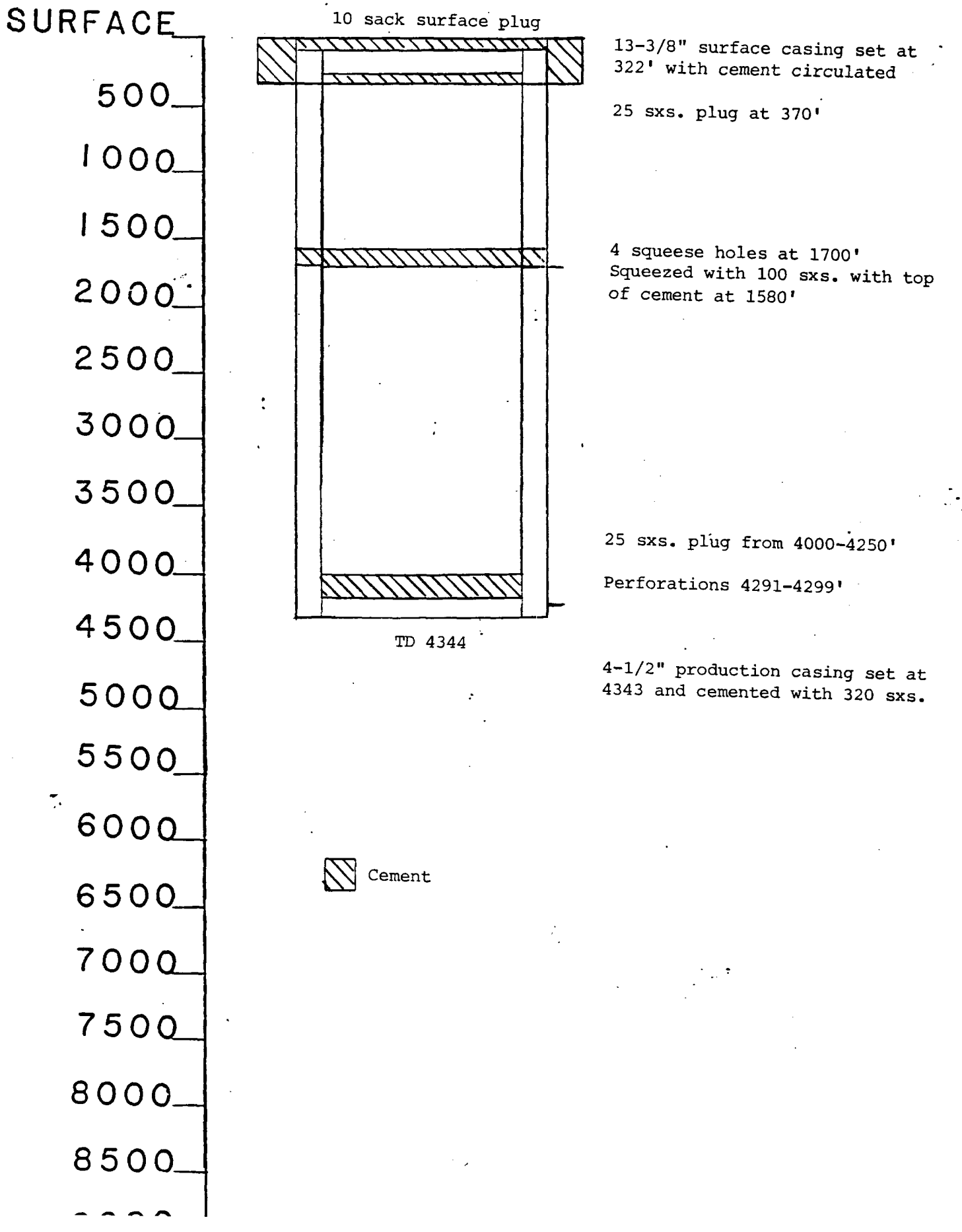
OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 25 sxs. at 4000-4250'. Perfs. 4 holes at 1700', squeeze with 100 sxs. tag at 1580', 25 sxs. at 370', 10 sxs. surface plug.

N.E. K Queen Unit Tract 4 #6
NE/4 NE/4 Sec. 7-18S-34E A
Lea County, New Mexico



13-3/8" surface casing set at 322' with cement circulated

25 sxs. plug at 370'

4 squeese holes at 1700'
Squeezed with 100 sxs. with top of cement at 1580'

25 sxs. plug from 4000-4250'

Perforations 4291-4299'

4-1/2" production casing set at 4343 and cemented with 320 sxs.

WELL DATA SHEET

OPERATOR: Murphy Baxter LEASE: N. EK Queen Unit Tract 4

WELL NO.: 5 FOOTAGE: 330' FNL & 1980' FEL SECTION: 7-18S-34E B

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 35.6# CEMENTED WITH: 375 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 329'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 4-1/2" 9.5# CEMENTED WITH: 375 SX.
TOC: 3600 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 11" SETTING DEPTH: 4327'

TOTAL DEPTH: 4327'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 8/16/62 COMPLETION DATE: 9/11/62
PERFORATED: 4273 FEET TO 4294 FEET

STIMULATION: 20,000 gallons oil & 40,000# sand

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: Cement plug from 4294-4100'. Perforate 4 holes at 1700' & squeeze with 50 sxs. tagged plug at 1550', 50 sxs. at 370-25', 5 sxs. surface plug.

N. EK Queen Unit Tract 4 #5
NW/4 NE/4 sec. 8-18S-34E B
Lea County, New Mexico

SURFACE
500
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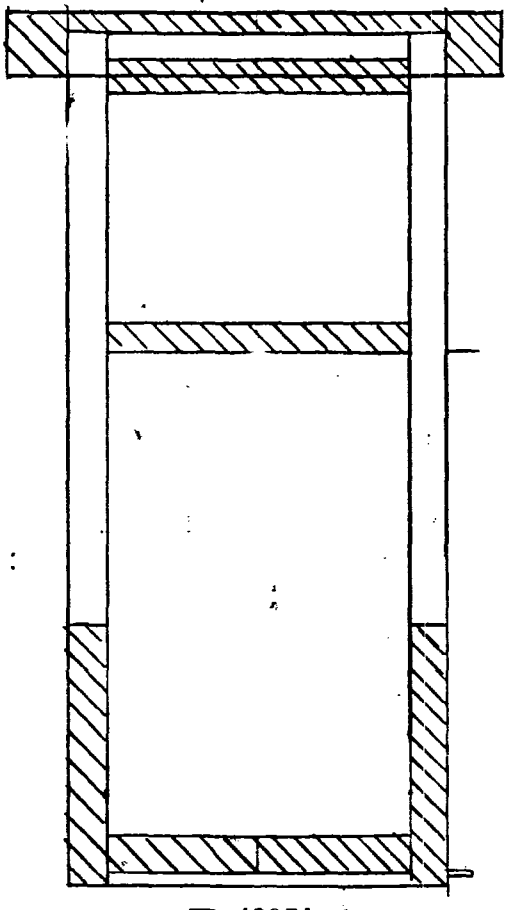
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500

5 sacks surface plug



TD 4327'

13-3/8" surface casing set at 329' with cement circulated

50 sxs. plug 25-370'

4 squeeze holes at 1700' cemented with 50 sxs. Top of cement at 1550'.

Cement plug from 4100-4294'
Perforations 4273-4294'

4-1/2" production casing set at 4327' with calculated cement top at approx. 3600'.

Cement

WELL DATA SHEET

OPERATOR: Murphy Baxter LEASE: N. EK Queen Unit Tract 7

WELL NO.: 1 FOOTAGE: 2173' FWL & 330' FNL SECTION: 7-18S-34E C

TUBULAR DATA

SURFACE CASING

SIZE: 7-5/8" 26.4# CEMENTED WITH: 150 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 10-3/4" SETTING DEPTH: 336'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 4-1/2" 11.6# CEMENTED WITH: 200 SX.
TOC: 2700 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 6-3/4" SETTING DEPTH: 4355'

TOTAL DEPTH: 4355'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: EK Yates Seven Rivers Queen
SPUD DATED: 4/19/63 COMPLETION DATE: 5/5/63
PERFORATED: 4280 FEET TO 4288 FEET

STIMULATION: 500 gallons acid, 20,000 gallons & 30,000# sand

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: CIBP at 4250' with 35' cement on top, 25 sxs. at 1700', cut & pull casing at 840', 25 sxs. 785-890', 50 sxs. 298-372', 10 sxs. surface plug.

N. EK Queen Unit Tract 7 #1
NE/4 NW/4 Sec. 7-18S-34E C
Lea County, New Mexico

SURFACE
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1500
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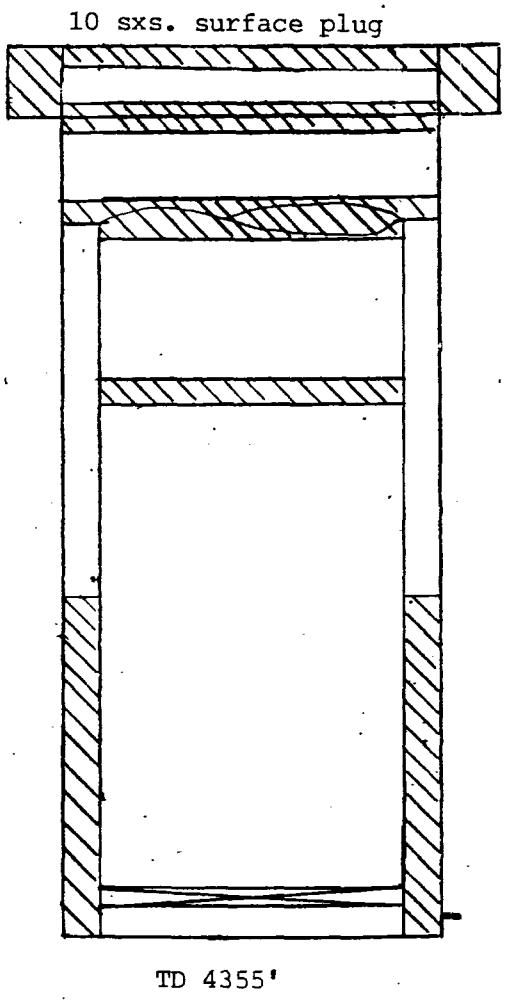
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500



7-5/8" surface casing set at 336' with cement circulated 50 sxs. 298-372'

Cut and pull casing from 840' 25 sxs. 785-890'

25 sxs. 1600-1700'

35' of cement on CIBP at 4250'

Perforations 4280-4288'

4-1/2" production casing set at 4355' with top of cement calculated to be approx. 2700'

WELL DATA SHEET

OPERATOR: DOB Oil Properties LEASE: State M

WELL NO.: 3 FOOTAGE: 853' FWL & 330' FNL SECTION: 7-18S-34E D

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 36# CEMENTED WITH: 215 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 10" SETTING DEPTH: 379'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

TOTAL DEPTH: 4300'

PRODUCING INTERVAL

FORMATION: None POOL OR FIELD:
SPUD DATED: COMPLETION DATE:
PERFORATED: FEET TO FEET

STIMULATION: None

OTHER PERFORATED ZONES: None

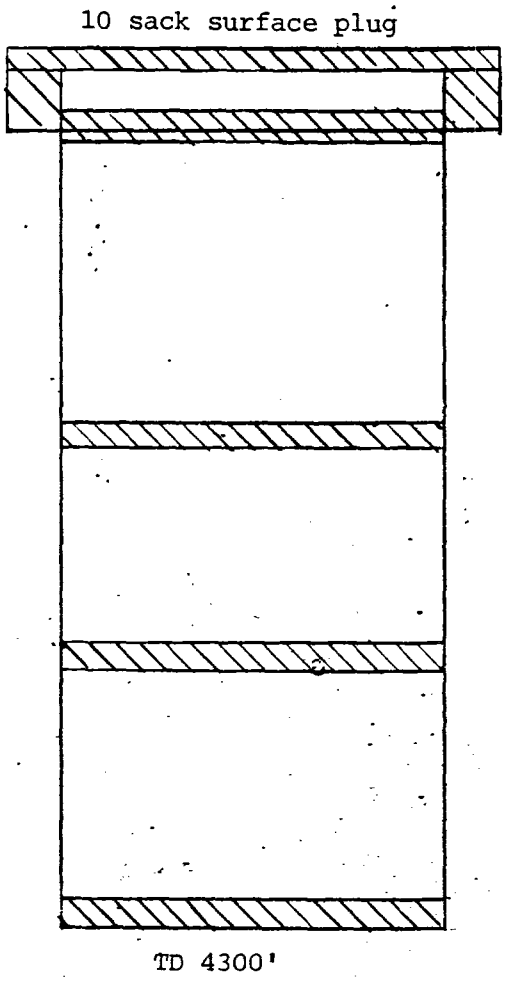
CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Junked & abandoned

IF P&A, LIST PLUGGING DETAILS: 25 sxs. 4255-4155', 25 sxs. 3000-2900', 25 sxs. 1900-1800', 25 sxs. 400-325', 10 sxs. surface plug.

State "M" #3
NW/4 NW/4 Sec. 7-18S-34E D
Lea County, New Mexico

SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500



8-5/8" surface casing set at 379' with cement circulated

25 sxs. plug 325-400'

25 sxs. plug 1800-1900'

25 sxs. plug 2900-3000'

25 sxs. plug 4155-4255'

Cement

WELL DATA SHEET

OPERATOR: Pan American LEASE: State "CL"

WELL NO.: 8 FOOTAGE: 1650' FNL & 990' FEL SECTION: 7-18S-34E H

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 35.6# CEMENTED WITH: 320 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 334'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 4-1/2" 9.5# CEMENTED WITH: 120 SX.
TOC: 3700 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 8" SETTING DEPTH: 4394'

TOTAL DEPTH: 4400'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates-Seven Rivers-Queen
SPUD DATE: 3/4/63 COMPLETION DATE: 4/2/63
PERFORATED: 4332 FEET TO 4354 FEET

STIMULATION: 500 gallons acid, 20,000 gallons oil and 40,000# sand

OTHER PERFORATED ZONES:

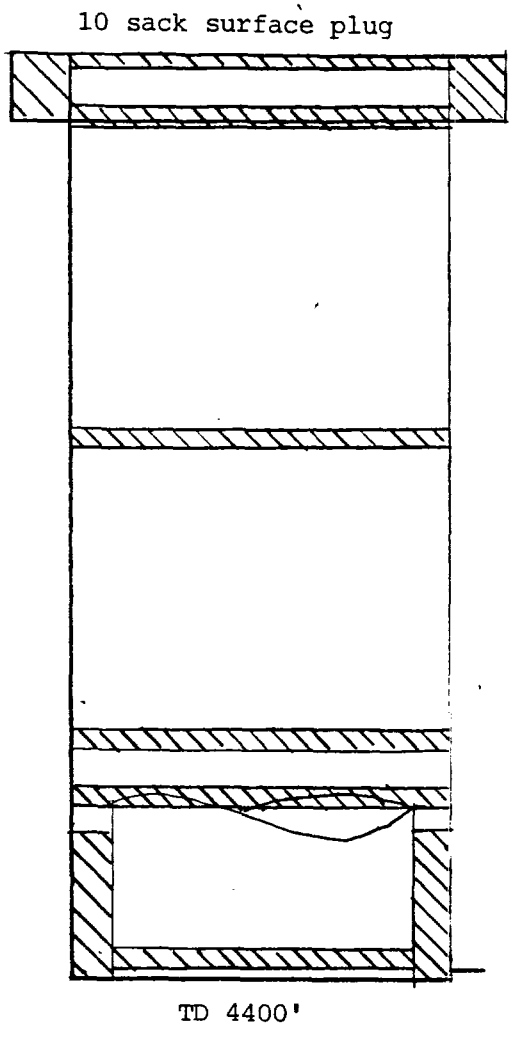
CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: Cut and pulled casing from 3549', 25 sxs. at 4364', 25 sxs. at 3549', 25 sxs. at 3320', 25 sxs. at 1850', 25 sxs. at 334', 10 sxs. surfa-e plug.

State "CL" #8
SE/4 NE/4 Sec. 7-18S-34E H
Lea County, New Mexico

SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500



8-5/8" surface casing set at 334' with cement circulated

25 sxs. at 334'

25 sxs. at 1850'

25 sxs. at 3320'

25 sxs. at 3549'
Cut and pull casing from 3549'

25 sxs. at 4364'
perforations 4332-4354'

4-1/2" production casing set at 4394' with top of cement estimated to be 3700'

Cement

WELL DATA SHEET

OPERATOR: Sunray Mid-Continent Oil Co. LEASE: New Mexico State G

WELL NO.: 4 FOOTAGE: 330' FEL & 1650' FSL SECTION: 7-18S-34E I

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 36# CEMENTED WITH: 250 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 251'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 14# CEMENTED WITH: 150 SX.
TOC: 3683 FEET DETERMINED BY: Temp. Survey
HOLE SIZE: 8" SETTING DEPTH: 4352'

TOTAL DEPTH: 4380'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 5/3/56 COMPLETION DATE: 6/5/56
~~PERFORATED~~: Open Hole 4352 FEET TO 4380 FEET

STIMULATION: None

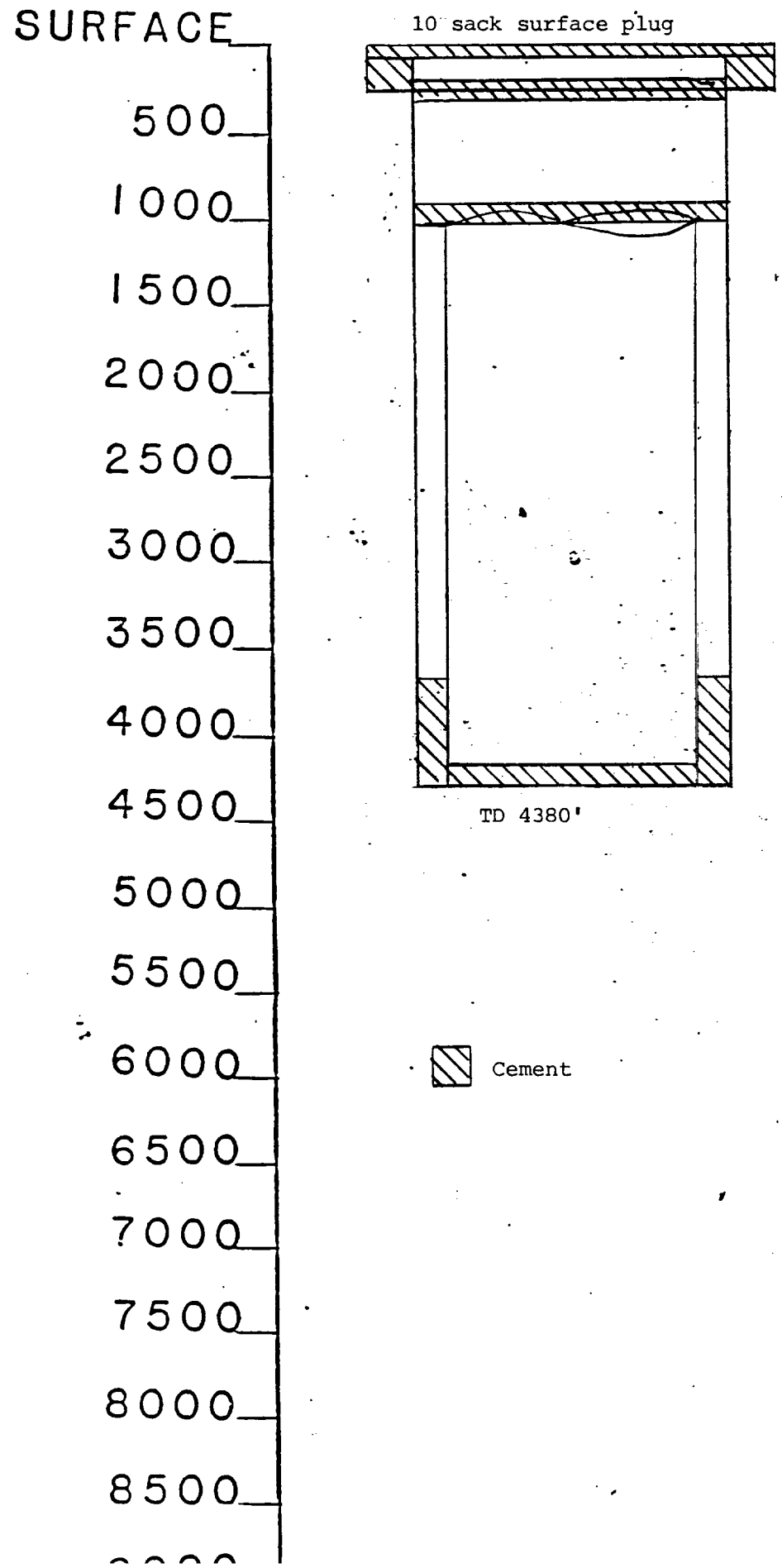
OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: Cement plug 4380-4173', cut & pull casing from 1010', 50 sxs. 1010-927', 25 sxs. 260-239', 10 sxs. surface plug

New Mexico State G #4
NE/4 SE/4 Sec. 7-18S-34E I
Lea County, New Mexico



13-3/8" surface casing set at 251' with cement circulated 25 sxs. 239-260'.

Casing cut & pulled from 1010' 50 sxs. 927-1010'

Cement plug 4173-4380'

Open Hole 4352-4380'

5-1/2" production casing set at 4352' with top of cement at 3683'

WELL DATA SHEET

OPERATOR: Chevron LEASE: Lea "XA" State

WELL NO.: 3 FOOTAGE: 1980' FSL & 1980' FWL SECTION: 7-18S-34E K

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 585 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 585'

INTERMEDIATE CASING

SIZE: 8-5/8" 24 & 28# CEMENTED WITH: 1090 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 1530'

LONG STRING

SIZE: 5-1/2" 15.5 & 17# CEMENTED WITH: 1400 SX.
TOC: 3200 FEET DETERMINED BY: Temp. Survey
HOLE SIZE: 7-7/8" SETTING DEPTH: 8793'

TOTAL DEPTH: 8795'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe Bone Springs
SPUD DATED: 7/29/84 COMPLETION DATE: 9/5/84
PERFORATED: 8609 FEET TO 8703 FEET

STIMULATION: 12,400 gallons acid

OTHER PERFORATED ZONES:

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping Oil Well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Sunray Mid-Continent Oil Co. LEASE: New Mexico State "G"

WELL NO.: 3 FOOTAGE: 1980' FSL & 1858.6'FWSECTION: 7-18S-34E K

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 36# CEMENTED WITH: 250 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 249'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 14# CEMENTED WITH: 300 SX.
TOC: 3052 FEET DETERMINED BY: Temp. Survey
HOLE SIZE: 8" SETTING DEPTH: 4689'

TOTAL DEPTH: 5443'

PRODUCING INTERVAL

FORMATION: None POOL OR FIELD:
SPUD DATED: COMPLETION DATE:
PERFORATED: FEET TO FEET

STIMULATION:

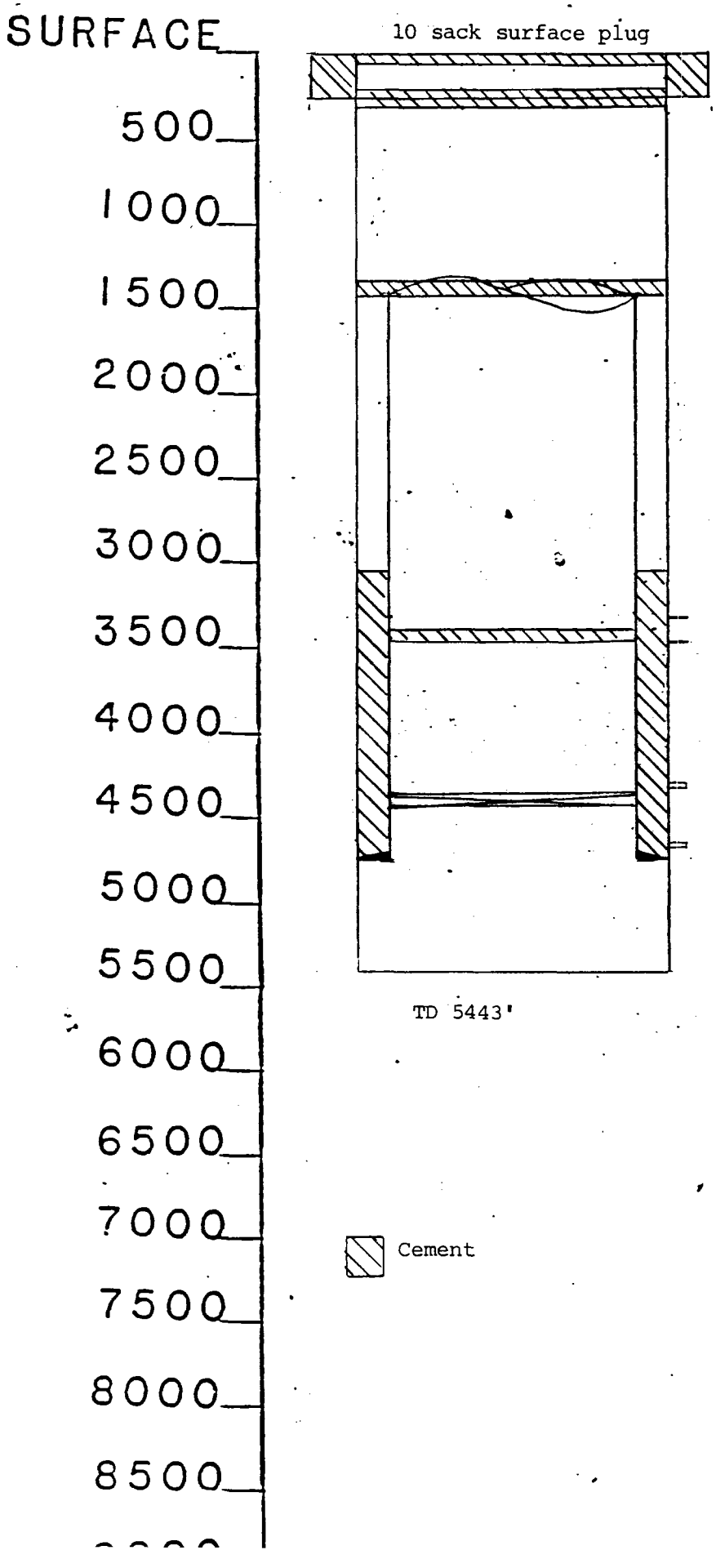
OTHER PERFORATED ZONES: 4597-4622', 4 squeeze holes at 3450', cemented with 126 sxs., 3324-3338', 4354-80'

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL?

IF P&A, LIST PLUGGING DETAILS: CIBP at 4410' with 10' cement on top of plug, 4 squeeze holes at 3450' cemented w/126 sxs. with cement left inside casing at 3399', casing cut and pulled from 1472', 50 sxs. 1472-1404', 25 sxs. 250-218', 10 sxs. surface plug.

State of New Mexico G #3
NE/4 SW/4 Sec. 7-18S-34E K
Lea County, New Mexico



13-3/8" surface casing set at 249' with cement circulated

25 sxs. 218-250'

50 sxs. 1404-1472'
Casing cut & pulled from 1472'

Top of cement in annulus 3052'
Perforations 3324-3338'
4 squeeze holes at 3450' with 126 sxs. cement with top of cement inside casing at 3399'.

Perforations 4354-80'
CIBP at 4410' with 10' cement on top
Perforations 4597-4622'

5-1/2" production casing set at 4689' & cemented with 300 sxs.

WELL DATA SHEET

OPERATOR: Chevron LEASE: "XA" State

WELL NO.: 1 FOOTAGE: 1980' FSL & 660' FWL SECTION: 7-18S-34E L

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 500 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 555

INTERMEDIATE CASING

SIZE: 8-5/8" 24 & 32# CEMENTED WITH: 1550 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 4478'

LONG STRING

SIZE: 5-1/2" 17# CEMENTED WITH: 1100 SX.
TOC: 5250 FEET DETERMINED BY: Temp. Survey
HOLE SIZE: 7-7/8" SETTING DEPTH: 8949'

TOTAL DEPTH: 8950'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe Bone Springs
SPUD DATE: 5/23/84 COMPLETION DATE: 6/22/84
PERFORATED: 8641 FEET TO 8748 FEET

STIMULATION: 4300 gallons 15% NEFE acid

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Chevron LEASE: Lea "XA" State

WELL NO.: 1 FOOTAGE: 1980 FSL & 660 FWL SECTION: 7-18S-34E L

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 500 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 555

INTERMEDIATE CASING

SIZE: 8-5/8" 28# CEMENTED WITH: 1550 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 4478

LONG STRING

SIZE: 5-1/2" 15.5 & 17# CEMENTED WITH: 1100 SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: 7-7/8" SETTING DEPTH: 8949

TOTAL DEPTH: 8950

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe Bone Springs
SPUD DATED: 5/23/84 COMPLETION DATE:
PERFORATED: 8641 FEET TO 8748 FEET

STIMULATION: 4000 gallons acid

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping Oil Well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Sunray DX Oil Co. LEASE: New Mexico State G

WELL NO.: 1 FOOTAGE: 660' FSL & 660' FWL SECTION: 7-18S-34E M

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 36# CEMENTED WITH: 275 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/4" SETTING DEPTH: 262'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 14# CEMENTED WITH: 200 SX.
TOC: 3300 (estimated) FEET DETERMINED BY: Calculated
HOLE SIZE: 8" SETTING DEPTH: 4344'

TOTAL DEPTH: 4384'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 5/13/55 COMPLETION DATE: 6/4/55
~~PERFORATED~~: Open Hole 4344 FEET TO 4385 FEET

STIMULATION: 10,000 gallons refined oil & 15,000# sand

OTHER PERFORATED ZONES: None

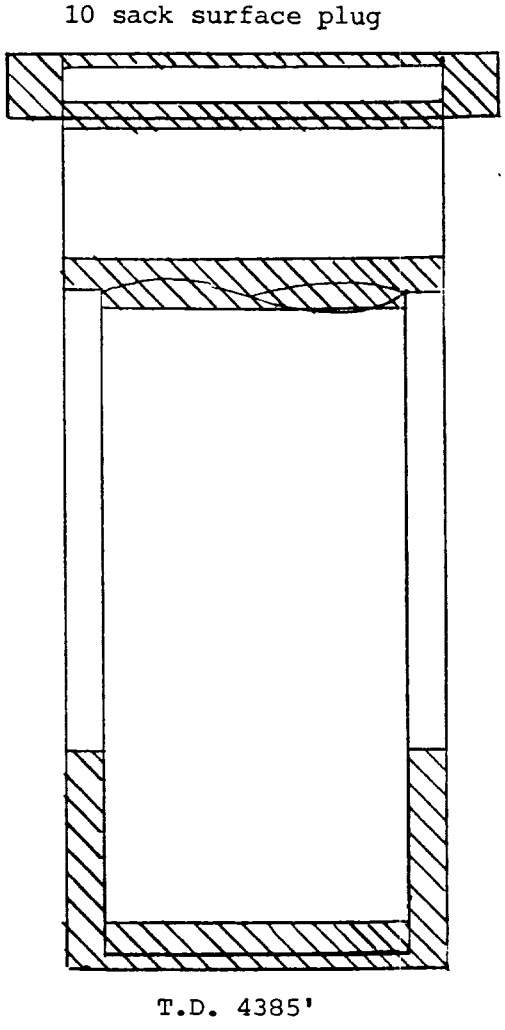
CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 25 sxs. 4385-4150', cut & pull casing from 1119', 25 sxs. in & out of stub at 1119.25', 25 sxs. at 1120', 25 sxs. at 268', 10 sxs. surface plug

New Mexico State "G" #1
SW/4 SW/4 Sec. 7-18S-34E M
Lea County, New Mexico

SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500



13-3/8" surface casing set at 262' with cement circulated.
25 sxs. plug at 268'

25 sxs. plug at 1120'
25 sxs. plug in and out of stub at 1119'
Cut & pull casing from 1119'

Calculated top of cement at approx. 3200'

25 sxs. 4385-4150'
Open Hole 4344-4385'

5-1/2" production casing set at 4344'

Cement

WELL DATA SHEET

OPERATOR: Chevron LEASE: Lea "XA" State

WELL NO.: 2 FOOTAGE: 660' FSL & 330' FWL SECTION: 7-18S-34E M

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48 & 54.5# CEMENTED WITH: 500 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 565'

INTERMEDIATE CASING

SIZE: 8-5/8" 28# CEMENTED WITH: 1600 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 4466'

LONG STRING

SIZE: 5-1/2" 15.5 & 17# CEMENTED WITH: 2050 SX.
TOC: 2910 FEET DETERMINED BY: Temp. Survey
HOLE SIZE: 7-7/8" SETTING DEPTH: 8970'

TOTAL DEPTH: 8970'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe Bone Springs
SPUD DATED: 6/19/84 COMPLETION DATE: 8/7/84
PERFORATED: 8365 FEET TO 8765 FEET

STIMULATION: 54,400 gallons acid

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Chevron LEASE: Lea "XA" State

WELL NO.: 2 FOOTAGE: 660' FSL & 330' FWL SECTION: 7-18S-34E M

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48 & 54.5# CEMENTED WITH: 500 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 565'

INTERMEDIATE CASING

SIZE: 8-5/8" 28# CEMENTED WITH: 1600 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 4466'

LONG STRING

SIZE: 5-1/2" 15.5 & 17# CEMENTED WITH: 2050 SX.
TOC: 2910 FEET DETERMINED BY: Temp. Survey
HOLE SIZE: 7-7/8" SETTING DEPTH: 8970'

TOTAL DEPTH: 8970'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe Bone Springs
SPUD DATED: 6/19/84 COMPLETION DATE: 8/7/84
PERFORATED: 8365 FEET TO 8765 FEET

STIMULATION: 54,400 gallons acid

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Chevron LEASE: Lea "XA" State

WELL NO.: 4 FOOTAGE: 990' FSL & 1650' FWL SECTION: 7-18S-34E N

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 500 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 510'

INTERMEDIATE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 1000 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 3350'

LONG STRING

SIZE: 5-1/2" 15.5 & 17# CEMENTED WITH: 2050 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 7-7/8" SETTING DEPTH: 9600'

TOTAL DEPTH: 9600'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe Bone Springs
SPUD DATED: 9/29/84 COMPLETION DATE: 11/7/84
PERFORATED: 8691 FEET TO 9380 FEET

STIMULATION: 23,500 gallons acid

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Sunray DX Oil Co. LEASE: New Mexico State "G"

WELL NO.: 2 FOOTAGE: 1858.6' FWL & 660' FSL SECTION: 7-18S-34E N

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 36# CEMENTED WITH: 250 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 247'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 14# CEMENTED WITH: 200 SX.
TOC: 3300' (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 8" SETTING DEPTH: 4355'

TOTAL DEPTH: 4388'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 7/7/55 COMPLETION DATE: 9/4/55
~~PERFORATED~~: Open Hole FEET TO FEET

STIMULATION: 10,000 gallons refined oil and 10,000# sand

OTHER PERFORATED ZONES: None

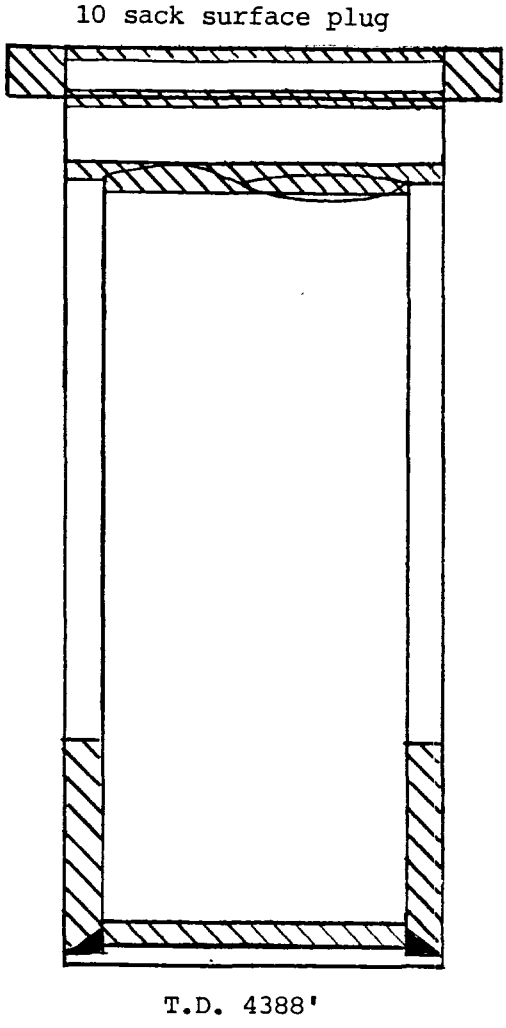
CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 25 sxs. at 4340', cut and pulled 5-1/2" casing from 619', 25 sxs. in and out of stub at 619', 25 sxs. at 250', 10 sxs. surface plug.

New Mexico State "G" #2
SE/4 SW/4 Sec. 7-18S-34E N
Lea County, New Mexico

SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500



13-3/8" surface casing set at 247'
with cement circulated
25 sxs. at 250'

25 sxs. in & out of stub at 619'
Casing cut & pulled from 619'

Calculated top of cement at 3300'

25 sxs. at 4349'
Open Hole 4355-4388'

5-1/2" casing set at 4355'

Cement

WELL DATA SHEET

OPERATOR: Sunray DX Oil Co. LEASE: New Mexico State H

WELL NO.: 1 FOOTAGE: 1980' FEL & 660' FSL SECTION: 7-18S-34E O

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 36# CEMENTED WITH: 250 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 245'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 14# CEMENTED WITH: 150 SX.
TOC: 3600 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 8" SETTING DEPTH: 4390'

TOTAL DEPTH: 4410'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 9/11/55 COMPLETION DATE: 10/22/55
~~PERFORATED:~~ Open Hole 4390 FEET TO 4410 FEET

STIMULATION: 10,000 gallons oil and 15,000# sand

OTHER PERFORATED ZONES: None

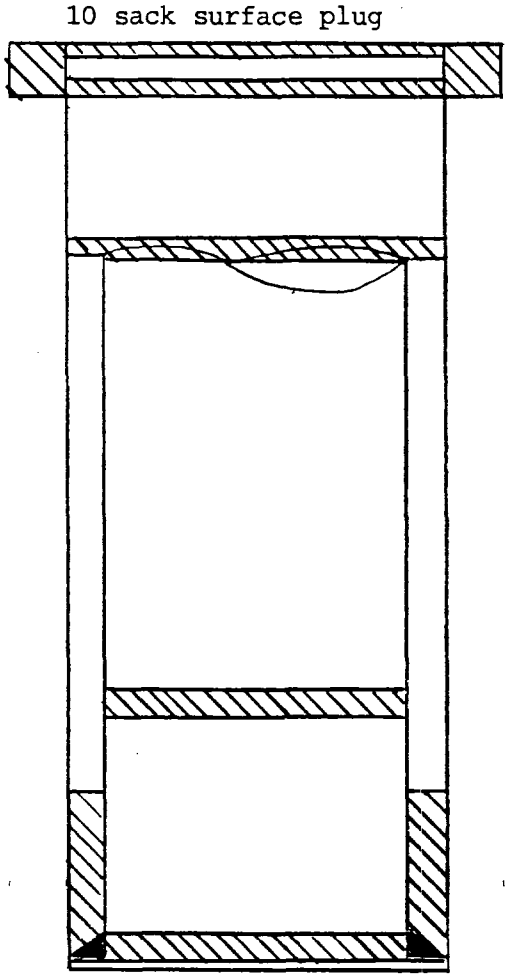
CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 25 sxs. 4300-4404', cut & pull casing from 997', 25 sxs. 3100-3230', 25 sxs. 915-1015', 25 sxs. 150-250', 10 sxs. surface plug

New Mexico State "H" #1
SW/4 SE/4 Sec. 7-18S-34E O
Lea County, New Mexico

SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500



13-3/8" surface casing set @ 245' with cement circulated

25 sxs. 150-250'

25 sxs. 915-1015'
Cut & pull casing from 997'

25 sxs. 3100-3230'

Calculated top of cement at approx. 3600'

25 sxs. 4300-4404'
Open hole 4390-4410'

5'1/2 production casing set at 4390'

Cement

WELL DATA SHEET

OPERATOR: Perry R. Bass LEASE: State of New Mexico

WELL NO.: 1 FOOTAGE: 660' FSL & 660' FEL SECTION: 7-18S-34E P

TUBULAR DATA

SURFACE CASING

SIZE: 9-5/8" 40# CEMENTED WITH: 400 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 13-3/4" SETTING DEPTH: 352.73'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 17# CEMENTED WITH: 400 SX.
TOC: 2865 FEET DETERMINED BY: Temp. Survey
HOLE SIZE: 7-7/8" SETTING DEPTH: 4434.50'

TOTAL DEPTH: 4439'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 12/30/55 COMPLETION DATE: 1/22/56
PERFORATED: 4376 FEET TO 4389 FEET

STIMULATION: 500 gallons acid, 10,000 gallons crude & 13,000# sand

OTHER PERFORATED ZONES: None

CURRENT STATUS

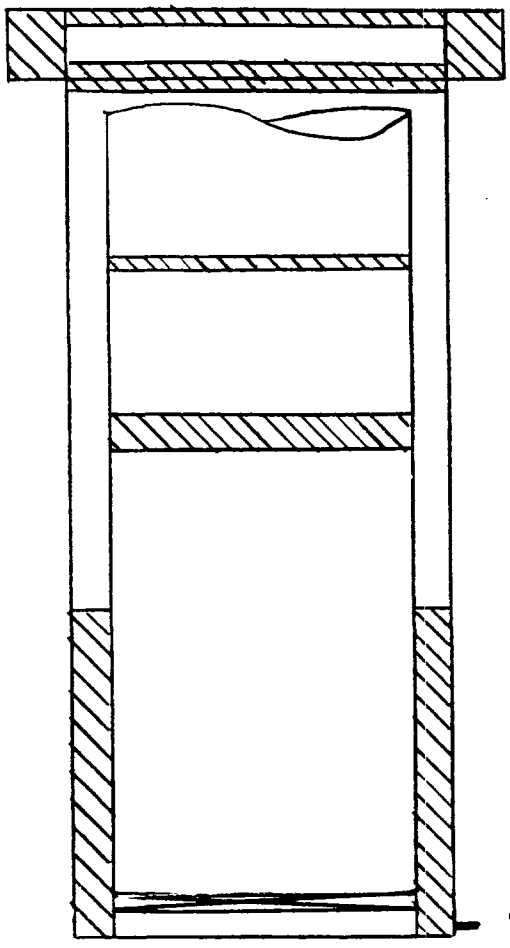
WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: CIBP @ 4350' w/35' cement on T/plug, 50 sxs @ 1900-2100', 50 sxs. @ 1185-1232', 45 sxs. @ 300-400' & 20 sxs. surface plug.

State of New Mexico #1
SE/4 SE/4 Sec. 7-18S-34E P
Lea County, New Mexico

SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500

20 sack surface plug



T.D. 4439'

Cement

9-5/8" surface casing set at 352.73' with cement circulated

45 sxs. 300-400'
Casing cut and pulled at 486'

50 sxs. 1185-1232'

50 sxs. 1900-2100'

Top of cement at 2865'

CIBP at 4350' with 35' cement on plug

Perforations 4376-4389'

5-1/2" production casing set at 4434.5'

WELL DATA SHEET

OPERATOR: Seely Oil Company LEASE: State of New Mexico

WELL NO.: 2 FOOTAGE: 1980' FWL & 660' FSL SECTION: 8-18S-34E N

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 250 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 12" SETTING DEPTH: 354.95'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 17# CEMENTED WITH: 400 SX.
TOC: 2090 FEET DETERMINED BY: Temp. Survey
HOLE SIZE: 7-7/8" SETTING DEPTH: 4454

TOTAL DEPTH: 4477'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 6/11/56 COMPLETION DATE: 6/28/56
PERFORATED: 4428 FEET TO 4436 FEET

STIMULATION: 500 gallons 15% acid, 10,000 gallons oil & 20,000# 20/40 sand

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Seely Oil Company LEASE: State BC

WELL NO.: 1 FOOTAGE: 660' FSL & 1980' FEL SECTION: 8-18S-34E O

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 275 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 373.27'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 14# CEMENTED WITH: 300 SX.
TOC: 2800 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 7-7/8" SETTING DEPTH: 4454'

TOTAL DEPTH: 4456'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 1/23/57 COMPLETION DATE: 2/22/57
PERFORATED: 4424 FEET TO 4450 FEET

STIMULATION: 500 gallons acid, 15,000 gallons oil & 15,000# 20/40 sand.

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Seely Oil Company LEASE: State BC

WELL NO.: 2 FOOTAGE: 660' FSL & 660' FEL SECTION: 8-18S-34E p

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 22.7# CEMENTED WITH: 275 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 373.27'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 14# CEMENTED WITH: 300 SX.
TOC: 2800 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 7-7/8" SETTING DEPTH: 4452.31'

TOTAL DEPTH: 4500'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 3/27/57 COMPLETION DATE: 4/20/57
PERFORATED: 4405 FEET TO 4432 FEET

STIMULATION: 500 gallons acid, 15,000 gallons lease crude & 20,000# 20/40 sand

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: J. Cecil Rhodes LEASE: Jere

WELL NO.: 2 FOOTAGE: 660' FNL & 1980' FEL SECTION: 8-18S-34E B

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 300 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 355'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

TOTAL DEPTH:

PRODUCING INTERVAL

FORMATION: None POOL OR FIELD:
SPUD DATE: COMPLETION DATE:
PERFORATED: FEET TO FEET

STIMULATION: None

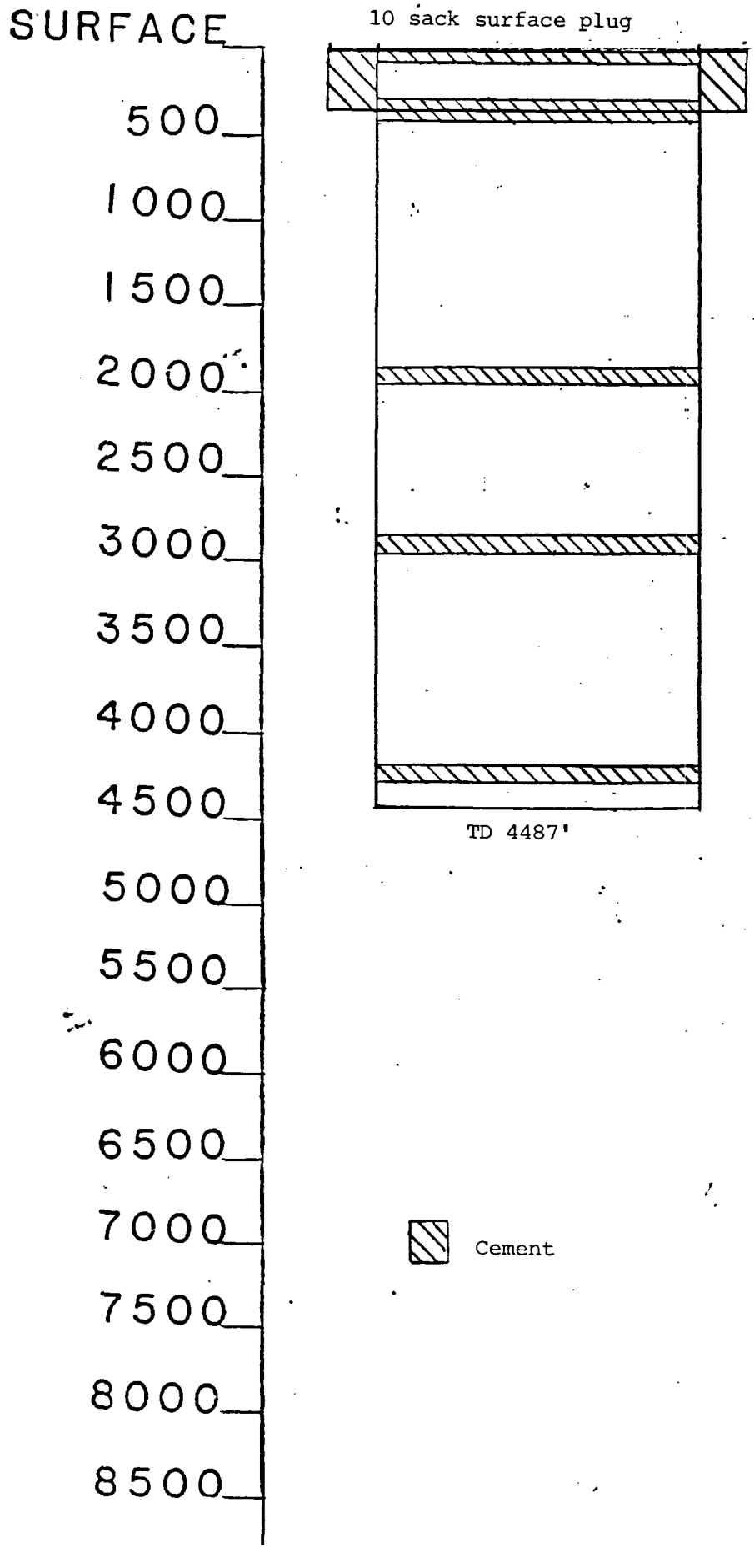
OTHER PERFORATED ZONES:

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 35 sxs. 4226-4126', 35 sxs. 2960-2860', 35 sxs. 1925-1825', 35 sxs. 370-270', 10 sxs. surface plug.

Jere #2
NW/4 NE/4 Sec. 8-18S-34E B
Lea County, New Mexico



WELL DATA SHEET

OPERATOR: Ray Westall LEASE: Joannie

WELL NO.: 1 FOOTAGE: 660' FNL & 1980' FWL SECTION: 8-18S-34E C

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 35.6# CEMENTED WITH: 450 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 318'

INTERMEDIATE CASING

SIZE: 8-5/8" 24 & 32# CEMENTED WITH: 250 SX.
TOC: Unknown FEET DETERMINED BY: Unknown
HOLE SIZE: 11" SETTING DEPTH: 3262'

LONG STRING

SIZE: 4-1/2" 9.5# CEMENTED WITH: 400 SX.
TOC: Unknown FEET DETERMINED BY: Unknown
HOLE SIZE: 7-7/8" SETTING DEPTH: 4658'

TOTAL DEPTH: 4673'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 7/25/73 COMPLETION DATE: 8/16/73
PERFORATED: 4304 FEET TO 4538 FEET

STIMULATION: 1000 gallons 15% acid, 20,000 gallons 9# brine & 40,000# 20/40 sand.

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Ray Westall LEASE: Joannie

WELL NO.: 4 FOOTAGE: 660' FNL & 990' FWL SECTION: 8-18S-34E D

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 20# CEMENTED WITH: 275 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 325'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 4-1/2" 10.5# & 5-1/2" 15.5# CEMENTED WITH: 600 SX.
TOC: Unknown FEET DETERMINED BY: Unknown
HOLE SIZE: 7-7/8" SETTING DEPTH: 4502'

TOTAL DEPTH: 4670'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 11/13/73 COMPLETION DATE: 11/27/73
PERFORATED: 4324 FEET TO 4334 FEET

STIMULATION: 500 gallons acid

OTHER PERFORATED ZONES:

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Ray Westall LEASE: Joannie

WELL NO.: 3 FOOTAGE: 990' FWL & 1650' FNL SECTION: 8-18S-34E E

TUBULAR DATA

SURFACE CASING

SIZE: 10-3/4" 32.75# CEMENTED WITH: 250 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 15" SETTING DEPTH: 365'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 4-1/2" 9.5# CEMENTED WITH: 300 SX.
TOC: Unknown FEET DETERMINED BY: Unknown
HOLE SIZE: 8-3/4" SETTING DEPTH: 4421'

TOTAL DEPTH: 4431'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 4/22/74 COMPLETION DATE: 5/7/74
PERFORATED: 4360 FEET TO 4370 FEET

STIMULATION: 500 gallons 15% acid, 10,000 gallons gelled brine & 20,000# 20/40 sand.

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Ray Westall LEASE: Joannie

WELL NO.: 5 FOOTAGE: 1650' FNL & 1980' FWL SECTION: 8-18S-34E F

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 300 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 365'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 14# CEMENTED WITH: 175 SX.
TOC: Unknown FEET DETERMINED BY: Unknown
HOLE SIZE: 7-7/8" SETTING DEPTH: 4419'

TOTAL DEPTH: 4420'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 4/5/74 COMPLETION DATE: 6/11/74
PERFORATED: 4381 FEET TO 4391 FEET

STIMULATION: 500 gallons 15% acid, 10,000 gallons gelled brine & 20,000# 20/40 sand

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: V-F Petroleum Inc. LEASE: E-K 8 State

WELL NO.: 1 FOOTAGE: 1650' FSL & 2100' FEL SECTION: 8-18S-34E J

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 250 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 12-1/4" SETTING DEPTH: 401'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

TOTAL DEPTH:

PRODUCING INTERVAL

FORMATION: None POOL OR FIELD:
SPUD DATE: COMPLETION DATE:
PERFORATED: FEET TO FEET

STIMULATION:

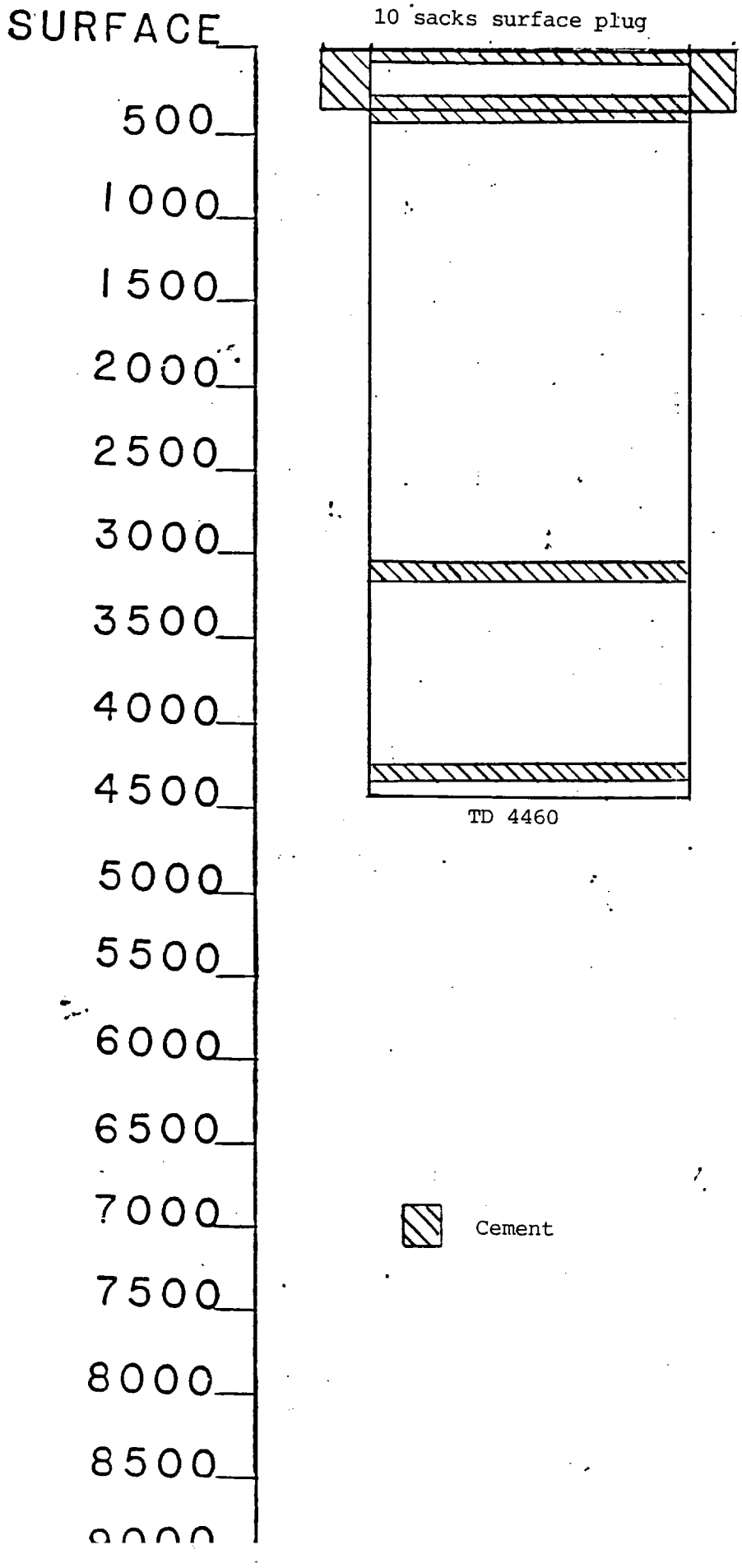
OTHER PERFORATED ZONES:

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 25 sxs. at 4400', 25 sxs. at 3150', 25 sxs. at 450', 10 sxs. surface plug.

E-K 8 State #1
NW/4 SE/4 Sec. 8-18S-34E J
Lea County, New Mexico



WELL DATA SHEET

OPERATOR: Richarson & Bass LEASE: State of New Mexico Lease E-5014

WELL NO.: 3 FOOTAGE: 1980' FWL & 1980' FSL SECTION: 8-18S-34E K

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 260 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 12" SETTING DEPTH: 349.29'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 17# CEMENTED WITH: 600 SX.
TOC: 2577 FEET DETERMINED BY: Temp. Survey
HOLE SIZE: 7-7/8" SETTING DEPTH: 5362'

TOTAL DEPTH: 5363'

PRODUCING INTERVAL

FORMATION: None POOL OR FIELD:
SPUD DATE: COMPLETION DATE:
PERFORATED: FEET TO FEET

STIMULATION:

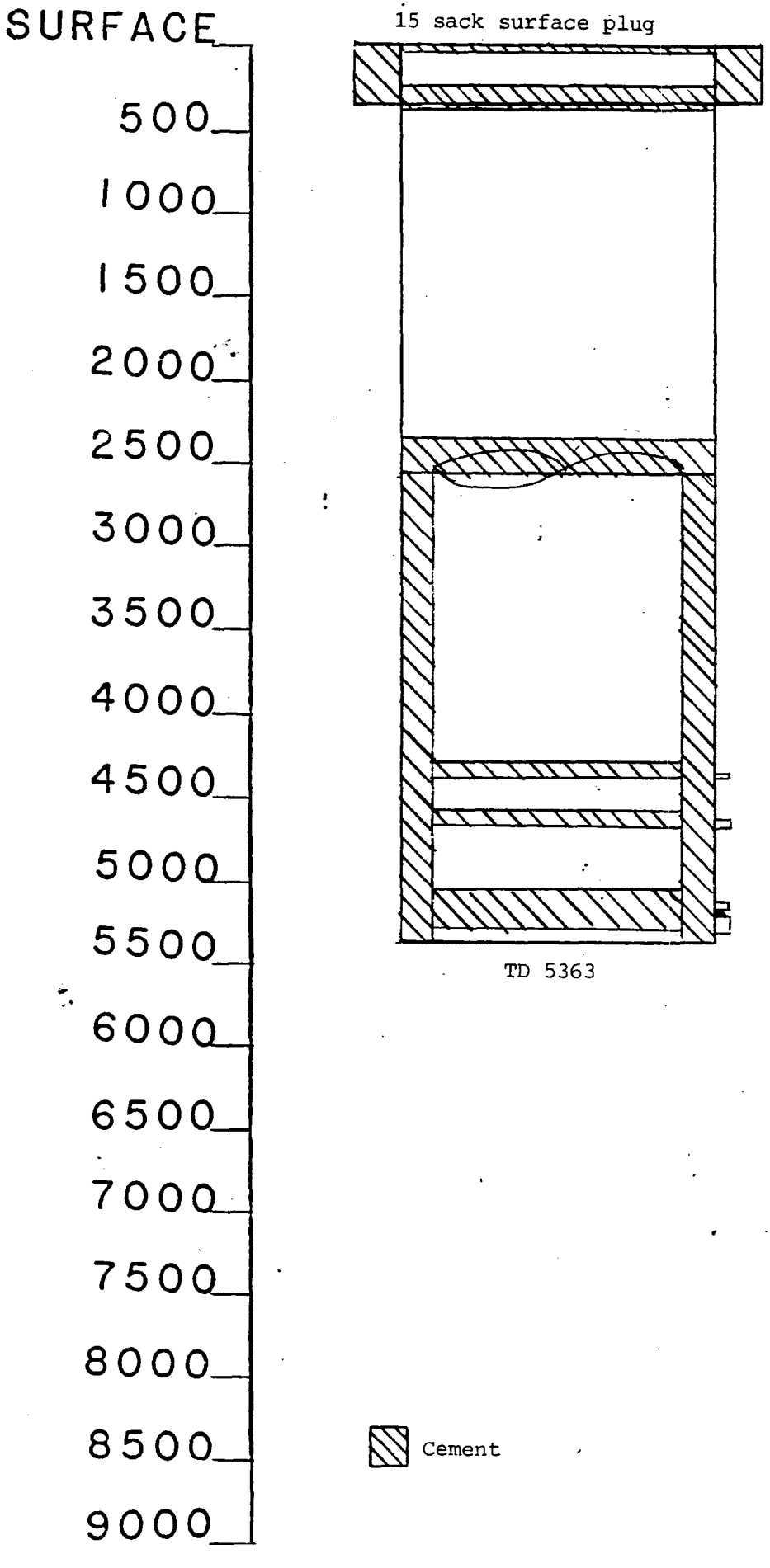
OTHER PERFORATED ZONES: 5324-5334', 5306-5318', 5272-5283', 4615-4630'

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: Squeezed perfs. 5324-5334 with 75 sxs. Squeezed perfs. 5306-5318 with 100 sxs. Squeezed perfs. 5272-5283 with 75 sxs. Squeezed perfs. 4615-4630 with 50 sxs. Squeezed perfs. 4394-4416 with 50 sxs. Cut casing at 2500'. 50 sxs. plug at 2333-2495', 50 sxs. plug at 215-368', 15 sxs. plug at surface.

State of New Mexico Lease E-5014 #3
NE/4 SW/4 Sec. 8-18S-34E K
Lea County, New Mexico



8-5/8" surface casing set at 349.29' with cement circulated

50 sxs. plug from 215-368'

50 sxs. plug from 2333-2495'
Casing cut and pulled from 2500'

Perfs 4394-4416 squeezed w/50 sxs.
Perfs 4615-4630 squeezed w/50 sxs.
Perfs. 5272-5283 squeezed w/75 sxs.
Perfs. 5306-5318 squeezed w/100 sxs.
Perfs. 5324-5334 squeezed w/75 sxs.

5-1/2" casing set at 5362'
with top of cement at 2577'.

WELL DATA SHEET

OPERATOR: Seely Oil Company LEASE: Amoco State

WELL NO.: 1 FOOTAGE: 660' FSL & 330' FWL SECTION: 8-18S-34E M

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 760 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 1701'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 4-1/2" 10.5# CEMENTED WITH: 350 SX.
TOC: 3400 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 7-7/8" SETTING DEPTH: 4800'

TOTAL DEPTH: 4800'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 7/22/83 COMPLETION DATE: 8/29/83
PERFORATED: 4381 FEET TO 4606 FEET

STIMULATION: 1180 gallons acid, 30,000 gallons gelled water & 43,400# sand

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Forest Oil Corp. LEASE: State-Sunray

WELL NO.: 1 FOOTAGE: 990' FWL & 330' FSL SECTION: 8-18S-34E M

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 400 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/4" SETTING DEPTH: 364.28'

INTERMEDIATE CASING

SIZE: 8-5/8" 32# CEMENTED WITH: 1200 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 4971'

LONG STRING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

TOTAL DEPTH: 9198'

PRODUCING INTERVAL

FORMATION: None POOL OR FIELD:
SPUD DATE: COMPLETION DATE:
PERFORATED: FEET TO FEET

STIMULATION: None

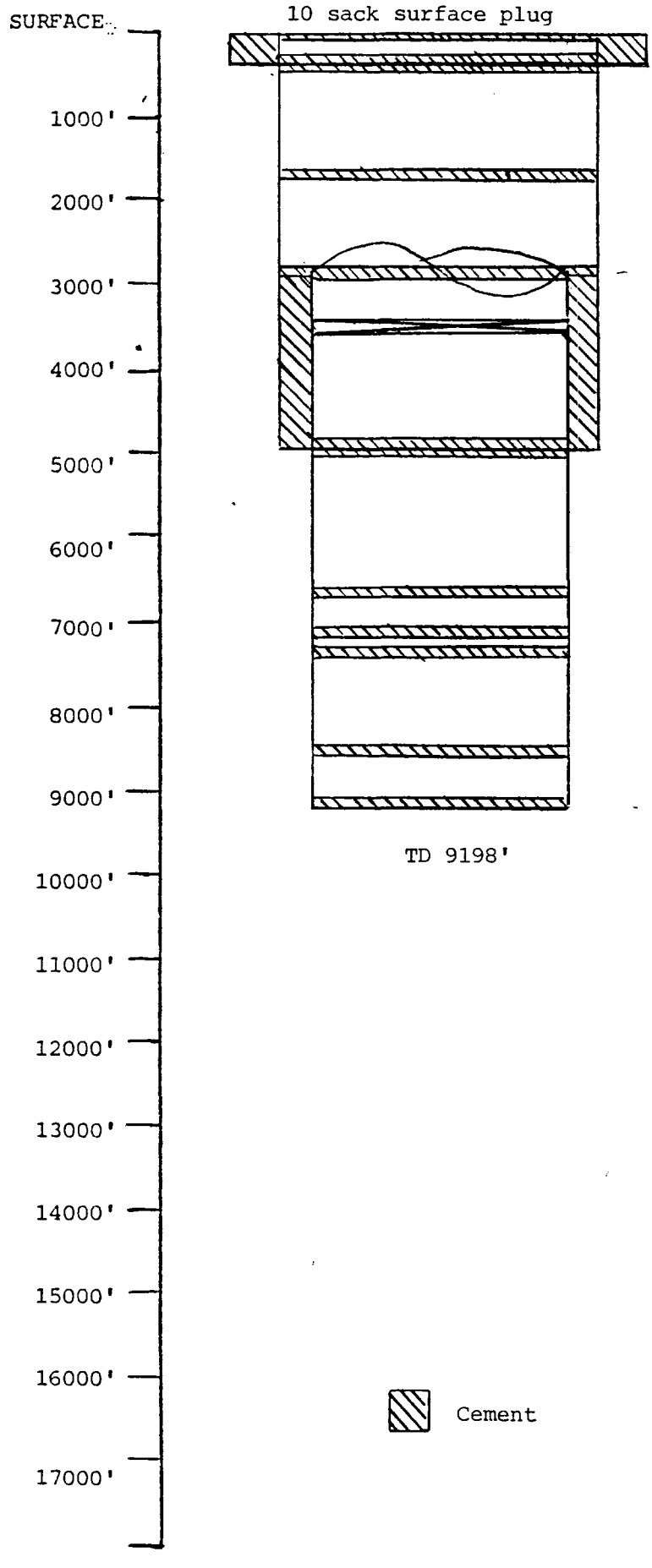
OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: Pulled 2887' of 8-5/8" casing. Set cement plugs as follows: 35 sxs. plug from 9198-9077, 25 sxs. plug from 8498-8408, 50 sxs. plug from 7322-7150, 35 sxs. plug from 7188-7068, 25 sxs. plug from 6700-6614, 35 sxs. plug from 5020-4900, CIBP at 3500, 25 sxs. plug from 2894-2841, 25 sxs. plug from 1835-1789, 25 sxs. plug from 392-358, 10 sxs. surface plug.

State Sunray #1
SW/4 SW/4 Sec. 8-18S-34E M
Lea County, New Mexico



13-3/8" surface casing set at 364.28' with cement circulated
25 sxs. 358-392'

25 sxs. 1789-1835'

25 sxs. 2841-2894'
2887' 8-5/8" casing pulled
CIBP set at 3500'

35 sxs. 4900-5020'

35 sxs. 6614-6700'

25 sxs. 7068-7188'
25 sxs. 7150-7322'

25 sxs. 8408-8498'

32 sxs. 9077-9198'

WELL DATA SHEET

OPERATOR: Sunray DX Oil Co. LEASE: New Mexico "H" State

WELL NO.: 2 FOOTAGE: 660' FWL & 660' FSL SECTION: 8-18S-34E M

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 36# CEMENTED WITH: 250 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 243.16

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 14# CEMENTED WITH: 150 SX.
TOC: 3640 FEET DETERMINED BY: Temp. Survey
HOLE SIZE: 8" SETTING DEPTH: 4379'

TOTAL DEPTH: 4404'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 3/19/56 COMPLETION DATE: 4/24/56
~~PERFORATED:~~ Open Hole 4379' FEET TO 4404 FEET

STIMULATION: 10,000 gallons refined oil and 20,000# sand

OTHER PERFORATED ZONES: None

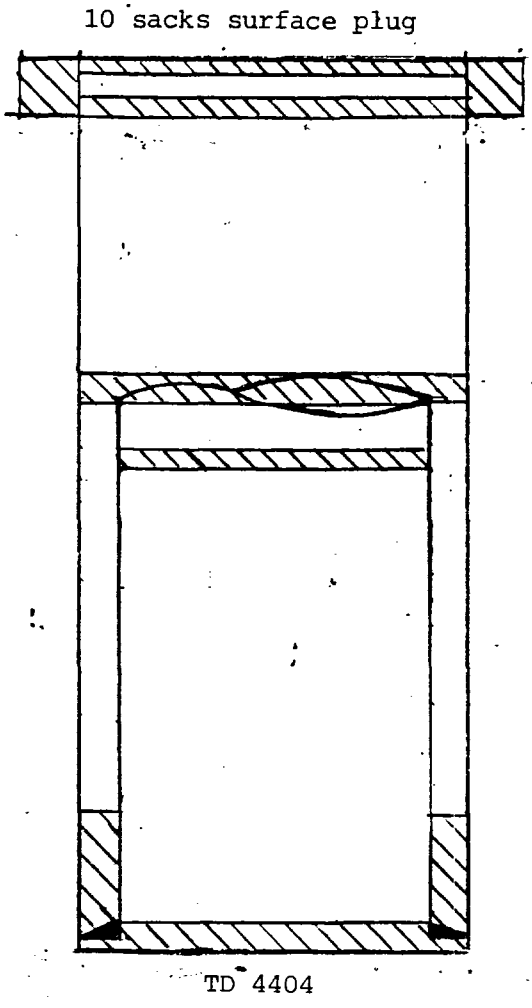
CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 25 sxs. 4404-4300', cut casing off at 1640', 25 sxs. 2010-1910', 25 sxs. 1650-1550', 25 sxs. 245-145, 10 sxs. surface plug.

New Mexico "H" State #1
SW/4 SW/4 Sec. 8-18S-34E M
Lea County, New Mexico

SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500



13-7/8" surface casing set at 243.16' with cement circulated
25 sxs. at 145-245'

Casing cut off and pulled from 1640'
25 sxs. at 1550-1650'

25 sxs. at 1910-2010'

25 sxs. at 4300-4404'

Open Hole 4379-4404'

5'1/2" casing set at 4379'
with top of cement at 3640'

Cement

WELL DATA SHEET

OPERATOR: Amoco Production Co. LEASE: State CN

WELL NO.: 1 FOOTAGE: 1980' FSL & 1980' FEL SECTION: 9-18S-34E J

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 550 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 518'

INTERMEDIATE CASING

SIZE: 8-5/8" 32# CEMENTED WITH: 400 SX.
TOC: Surface FEET DETERMINED BY: Calculation
HOLE SIZE: 12-1/4" SETTING DEPTH: 3586'

LONG STRING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

TOTAL DEPTH: 9000'

PRODUCING INTERVAL

FORMATION: None POOL OR FIELD: Vacuum W.
SPUD DATE: 10/28/84 COMPLETION DATE: 12/5/84
PERFORATED: None FEET TO None FEET

STIMULATION: None

OTHER PERFORATED ZONES: None

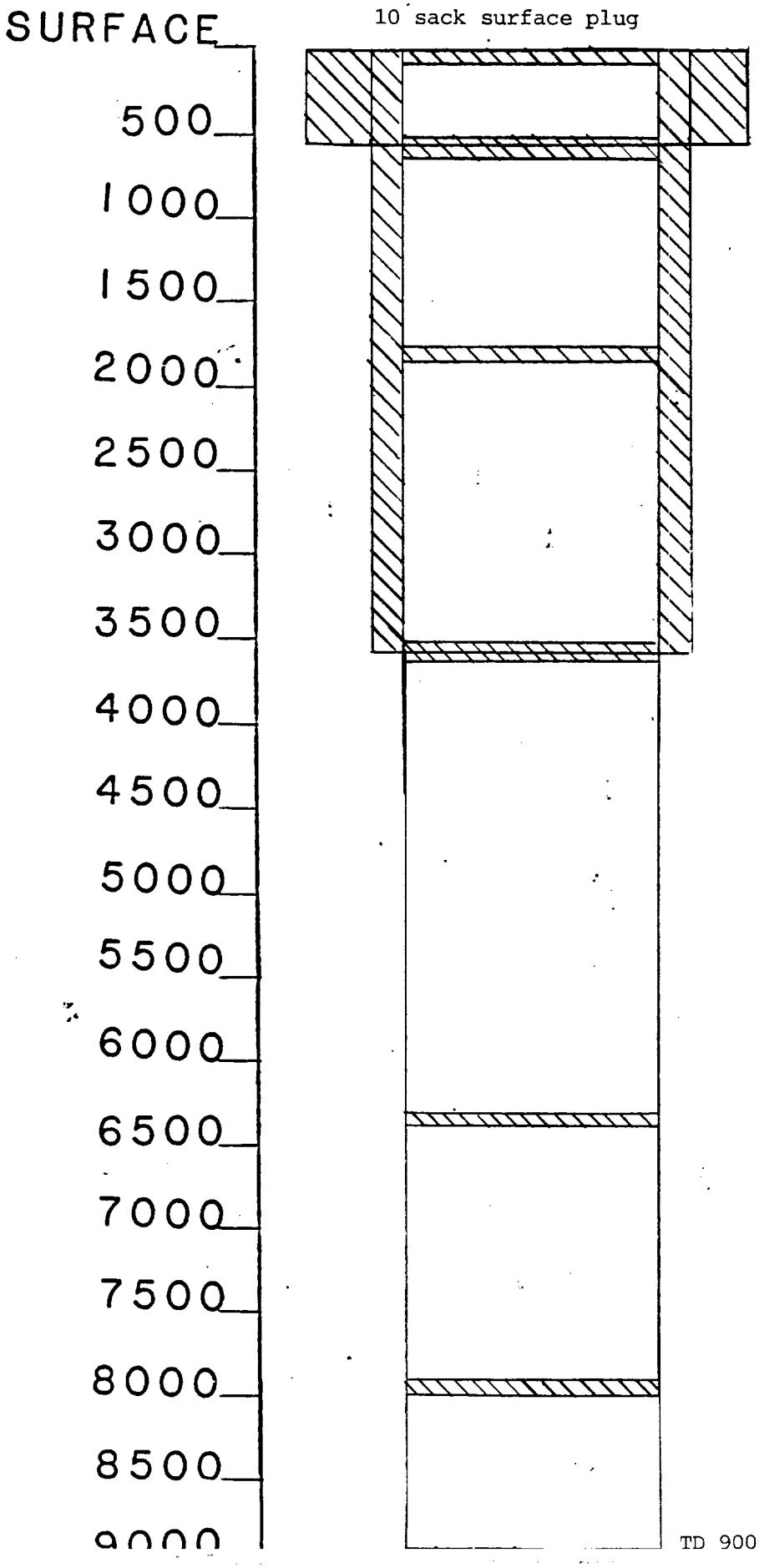
CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 25 sxs. plug from 9000-8935, 35 sxs. plug from 8001-7901, 40 sxs. plug from 6363-6263, 35 sxs. plug from 3623-3523, 35 sxs. plug from 1796-1696, 30 sxs. plug from 567-467, 10 sxs. surface plug.

Cement

State CN #1
NW/4 SE/4 Sec. 9-18S-34E J
Lea County, New Mexico



13-3/8" surface casing set at 518' with cement circulated

30 sxs. plug 467-567'

35 sxs. plug 1696-1796'

8-5/8" intermediate casing set at 3586' with cement circulated

35 sxs. plug 3523-3623'

40 sxs. plug 6263-6363'

35 sxs. plug 7901-8001'

25 sxs. plug 8935-9000'

WELL DATA SHEET

OPERATOR: Seely Oil Company LEASE: State HS Com.

WELL NO.: 1 FOOTAGE: 1980' FSL & 1980' FWL SECTION: 9-18S-34E K

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 370 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17" SETTING DEPTH: 400'

INTERMEDIATE CASING

SIZE: 9-5/8" 40# CEMENTED WITH: 5600 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 12-1/4" SETTING DEPTH: 5900'

LONG STRING

SIZE: 5-1/2" 23# CEMENTED WITH: 3750 SX.
TOC: 3580 FEET DETERMINED BY: CBL
HOLE SIZE: 8-3/4" SETTING DEPTH: 13,717'

TOTAL DEPTH: 13,745'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD:
SPUD DATE: 5/11/81 COMPLETION DATE: 12/17/81
PERFORATED: 8050 FEET TO 8428 FEET

STIMULATION: 3000 gallons HCL

OTHER PERFORATED ZONES: 11,110-11,120, 10,548-578, 10,854-11004, 11,487-11,565, 11,446-11,469, 11,315-11,385

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Temporarily abandoned.

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Oryx LEASE: Mescalero Ridge Federal

WELL NO.: 3 FOOTAGE: 430' FNL & 900' FEL SECTION: 13-18S-33E A

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 375 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 356

INTERMEDIATE CASING

SIZE: 8-5/8" 24 & 32# CEMENTED WITH: 1000 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 12-1/4" SETTING DEPTH: 3311

LONG STRING

SIZE: 5-1/2" 15.5 & 17# CEMENTED WITH: 1400 SX.
TOC: 3300 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 7-7/8" SETTING DEPTH: 9200'

TOTAL DEPTH: 9200'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe Bone Springs
SPUD DATE: 12/1/85 COMPLETION DATE: 1/21/86
PERFORATED: 8744 FEET TO 8766 FEET

STIMULATION: Acidized with 2500 gallons 20% NEFE HCL

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Oryx LEASE: Mescalero Ridge Federal

WELL NO.: 1 FOOTAGE: 330' FNL & 2030' FEL SECTION: 13-18S-33E B

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 375 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 360

INTERMEDIATE CASING

SIZE: 8-5/8" 24 & 32# CEMENTED WITH: 1300 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 3300

LONG STRING

SIZE: 5-1/2" 15.5 & 17# CEMENTED WITH: 1600 SX.
TOC: 2000' (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 7-7/8" SETTING DEPTH: 9300'

TOTAL DEPTH: 9300'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe (Bone Springs)
SPUD DATE: 6/1/85 COMPLETION DATE: 7/2/85
PERFORATED: 8714 FEET TO 8773 FEET

STIMULATION: 4000 gallons 20% NEFE HCL

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Oryx LEASE: Mescalero Ridge Federal

WELL NO.: 2 FOOTAGE: 1700' FNL & 1700' FEL SECTION: 13-18S-33E G

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 375 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 363'

INTERMEDIATE CASING

SIZE: 8-5/8" 24 & 32# CEMENTED WITH: 900 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 3241'

LONG STRING

SIZE: 5-1/2" 15.5 & 17# CEMENTED WITH: 1450 SX.
TOC: 2000 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 7-7/8" SETTING DEPTH: 9300'

TOTAL DEPTH: 9300'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe Bone Springs
SPUD DATE: 10/27/85 COMPLETION DATE: 12/9/85
PERFORATED: 8749 FEET TO 8780 FEET

STIMULATION: 4000 gallons 20% NEFE HCL

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Oxy USA LEASE: State DW

WELL NO.: 3 FOOTAGE: 1980' FNL & 660' FEL SECTION: 12-18S-34E H

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 500 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 350'

INTERMEDIATE CASING

SIZE: 8-5/8" 24 & 32# CEMENTED WITH: 1300' SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 3304'

LONG STRING

SIZE: 5-1/2" 15.5 & 17# CEMENTED WITH: 1900 SX.
TOC: 3700' FEET DETERMINED BY: CBL
HOLE SIZE: 7-7/8" SETTING DEPTH: 8949'

TOTAL DEPTH: 8950'

PRODUCING INTERVAL

FORMATION: Yates POOL OR FIELD: E-K Yates-Seven Rivers-Queen
SPUD DATE: 6/1/84 COMPLETION DATE: 10/16/84
PERFORATED: 3342 FEET TO 3379 FEET

STIMULATION: 2000 gallons 7-1/2% acid, 15,000 gallons 2% KCL and 71 tons CO_2 plus 18,000# 20/40 sand plus 48,000# 12/20 sand

OTHER PERFORATED ZONES: Pumping oil well

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL?

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Oxy USA LEASE: State "DW"

WELL NO.: 3 FOOTAGE: 1980' FNL & 660' FEL SECTION: 12-18S-33E H

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 500 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 350

INTERMEDIATE CASING

SIZE: 8-5/8" 24 & 32# CEMENTED WITH: 1300 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 3304'

LONG STRING

SIZE: 5-1/2" 15.5 & 17# CEMENTED WITH: 1900 SX.
TOC: 3700 FEET DETERMINED BY: CBL
HOLE SIZE: 7-7/8" SETTING DEPTH: 8949'

TOTAL DEPTH: 8950'

PRODUCING INTERVAL

FORMATION: Yates POOL OR FIELD: E-K Yates-Seven Rivers-Queen
SPUD DATE: 6/1/84 COMPLETION DATE: 10/16/84
PERFORATED: 3342 FEET TO 3379 FEET

STIMULATION: 2000 gallons 7-1/2% acid plus 15,000 gallons 2% KCL water plus 15,000 gallons CO_2 (71 tons) plus 18,000# 20/40 sand plus 48,000# 12/20 sand

OTHER PERFORATED ZONES: Unknown

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Oxy USA LEASE: State "DW"

WELL NO.: 6 FOOTAGE: 1980' FSL & 330' FEL SECTION: 12-18S-33E I

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 500 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 349'

INTERMEDIATE CASING

SIZE: 8-5/8" 24 & 32# CEMENTED WITH: 1300 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 3300'

LONG STRING

SIZE: 5-1/2" 15.5 & 17# CEMENTED WITH: 1265 SX.
TOC: 3310 FEET DETERMINED BY: CBL
HOLE SIZE: 7-7/8" SETTING DEPTH: 8914'

TOTAL DEPTH: 8914'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe (Bone Springs)
SPUD DATE: 8/17/84 COMPLETION DATE: 9/18/84
PERFORATED: 8606 FEET TO 8789' FEET

STIMULATION: 8500 gallons 15% NEFE acid

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Plateau Oil Company LEASE: State

WELL NO.: 1 FOOTAGE: 660' FEL & 1980' FSL SECTION: 12-18S-33E I

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" CEMENTED WITH: 250 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 300'

INTERMEDIATE CASING

SIZE: 7" 23# CEMENTED WITH: 500 SX.
TOC: 1800 (estimated) FEET DETERMINED BY: Caculation
HOLE SIZE: 8-1/4" SETTING DEPTH: 4364'

LONG STRING

SIZE: 5-1/2" 15.5# (liner) CEMENTED WITH: 300 SX.
TOC: 3760' FEET DETERMINED BY: Unknown
HOLE SIZE: 7-7/8" SETTING DEPTH: 3760-5465'

TOTAL DEPTH: 5513'

PRODUCING INTERVAL

FORMATION: San Andres POOL OR FIELD: E-K San Andres
SPUD DATE: 5/25/55 COMPLETION DATE: 10/10/55
PERFORATED: 5062 FEET TO 5390 FEET

STIMULATION: 10,000 gallons crude and 15,000# sand

OTHER PERFORATED ZONES: Queen 4345-4364', Yates 3695-3762'

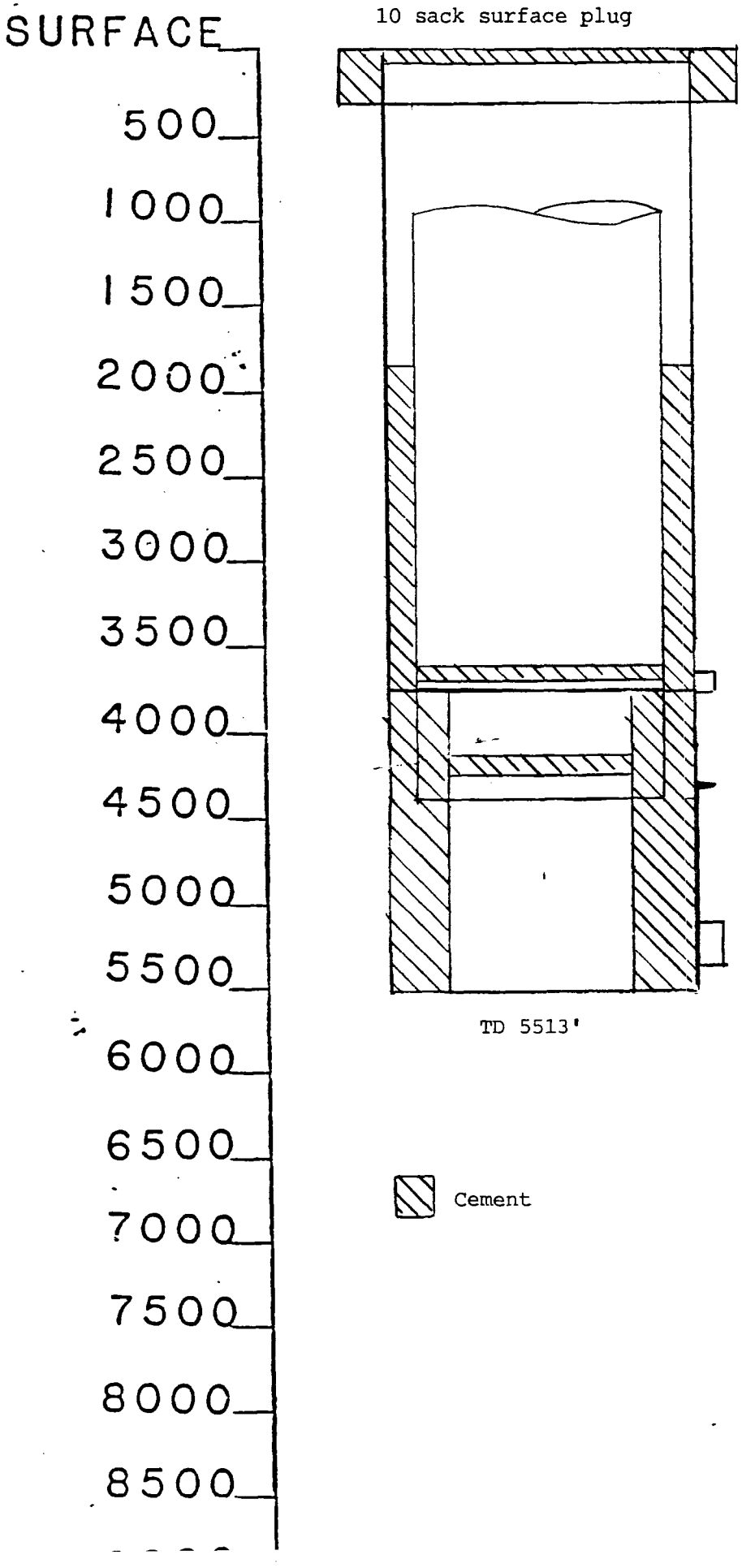
CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: Squeezed perfs. 4345-64' and 3695-3762', 20 sxs. at 4200', 10 sxs. at 3700', cut and pulled casing from 950', 10 sxs. surface plug.

State #2
NW/4 SE/4 Sec. 12-18S-33E
Lea County, New Mexico

I



8-5/8" surface casing set at 300' with cement circulated

Top of cement calculated to be approx. 1800'

7" casing set at 4364'

Perforations 3695-3762 squeezed

10 sx. plug at 3700'
20 sx. plug at 4200'

Perforations 4345-4364' squeezed

Perforations 5062-5390'

5-1/2" liner set at 3760-5465' with top of cement at 3760'

WELL DATA SHEET

OPERATOR: Oxy USA LEASE: State "DW"

WELL NO.: 1 FOOTAGE: 1980' FSL & 1650' FEL SECTION: 12-18S-34E J

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48 & 61# CEMENTED WITH: 600 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 500

INTERMEDIATE CASING

SIZE: 8-5/8" 24 & 32# CEMENTED WITH: 4105 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 5283'

LONG STRING

SIZE: 5-1/2" 17# CEMENTED WITH: 950 SX.
TOC: 6490 FEET DETERMINED BY: CBL
HOLE SIZE: 7-7/8" SETTING DEPTH: 10,866

TOTAL DEPTH: 11,094'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe (Bone Springs)
SPUD DATE: 1/31/84 COMPLETION DATE: 4/17/84
PERFORATED: 8803 FEET TO 8883 FEET

STIMULATION: 2500 gallons 15% HCL acid

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Oxy USA LEASE: State DW

WELL NO.: 10 FOOTAGE: 990' FSL & 2130' FWL SECTION: 12-18S-33E N

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 500 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 350'

INTERMEDIATE CASING

SIZE: 8-5/8" 24 & 32# CEMENTED WITH: 1300 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 3150'

LONG STRING

SIZE: 5-1/2" 15.5 & 17# CEMENTED WITH: 1245 SX.
TOC: 3450 FEET DETERMINED BY: CBL
HOLE SIZE: 7-7/8" SETTING DEPTH: 9097'

TOTAL DEPTH: 9097'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe (Bone Springs)
SPUD DATE: 11/12/84 COMPLETION DATE: 12/16/84
PERFORATED: 8708 FEET TO 8761 FEET

STIMULATION: 4000 gallons 15% NEFE HCL acid

OTHER PERFORATED ZONES: None known

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Oxy USA LEASE: State "DW"

WELL NO.: 8 FOOTAGE: 710' FSL & 1830' FEL SECTION: 12-18S-33E O

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 500 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 350'

INTERMEDIATE CASING

SIZE: 8-5/8" 24 & 32# CEMENTED WITH: 1300 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 3140'

LONG STRING

SIZE: 5-1.2" 15.5 & 17# CEMENTED WITH: 2550 SX.
TOC: 3100 FEET DETERMINED BY: CBL
HOLE SIZE: 7-7/8" SETTING DEPTH: 9072'

TOTAL DEPTH: 9080'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe (Bone Springs)
SPUD DATE: 9/11/84 COMPLETION DATE: 10/20/84
PERFORATED: 8805 FEET TO 8866 FEET

STIMULATION: 4000 gallons 15% NEFE acid

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: The Atlantic Refining Co. LEASE: State "AJ"

WELL NO.: 2 FOOTAGE: 330' FNL & 1984.5' FEL SECTION: 17-18S-34E B

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 18# CEMENTED WITH: 300 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 12-1/4" SETTING DEPTH: 336

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 14, 15.5 & 17# CEMENTED WITH: 1400 SX.
TOC: 12' FEET DETERMINED BY: Visual inspection
HOLE SIZE: 7-7/8" SETTING DEPTH: 4495'

TOTAL DEPTH: 4496'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates-Seven Rivers-Queen
SPUD DATE: 4/12/57 COMPLETION DATE: 5/6/57
PERFORATED: 4463 FEET TO 4469 FEET

STIMULATION: 500 gallons 7-1/2% MCA acid, 2000 gallons oil and 2000# 20/40 sand

OTHER PERFORATED ZONES:

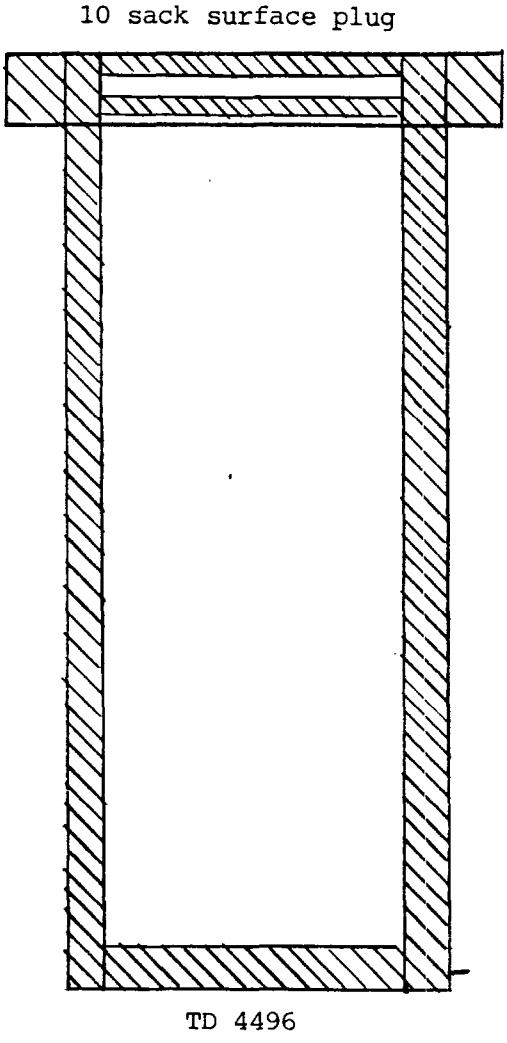
CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 20 sxs. 4250-4460', 20 sxs. 165-240', 10 sxs. at surface.

State "AJ" #2
NW/4 NE/4 Sec. 17-18S-34E B
Lea County, New Mexico

SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500
9000



8-5/8" surface casing set at 336' with cement circulated

20 sxs. 165-240

5-1/2" production casing set at 4495' with top of cement 12' from surface

20 sxs. 4250-4460'

Perforations 4463-4469'

WELL DATA SHEET

OPERATOR: Seely Oil Company LEASE: Santa Fe State

WELL NO.: 1 FOOTAGE: 330' FNL & 2310' FWL SECTION: 17-18S-34E C

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 800 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 1659'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 4-1/2" 10.5# CEMENTED WITH: 350 SX.
TOC: 3400 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 7-7/8" SETTING DEPTH: 4820

TOTAL DEPTH: 4820'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 1/5/85 COMPLETION DATE: 11/8/85
PERFORATED: 4462 FEET TO 4692 FEET

STIMULATION: 20,200 gallons gel & 32,000# sand

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping Oil Well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: The Ohio Oil Co. LEASE: State EKA

WELL NO.: 6 FOOTAGE: 330' FNL & 1650' FWL SECTION: 17-18S-34E C

TUBULAR DATA

SURFACE CASING

SIZE: 10-3/4" 32.75# CEMENTED WITH: 250 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 13-3/4" SETTING DEPTH: 380.83'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 15.5# CEMENTED WITH: 650 SX.
TOC: 2700 FEET DETERMINED BY: Temp. Survey
HOLE SIZE: 8-3/4" SETTING DEPTH: 4516.50'

TOTAL DEPTH: 4517'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 8/24/56 COMPLETION DATE: 10/2/56
PERFORATED: 4444 FEET TO 4464 FEET

STIMULATION: 500 gallons mud acid, 10,000 gallons oil & 10,000 sand.

OTHER PERFORATED ZONES: None

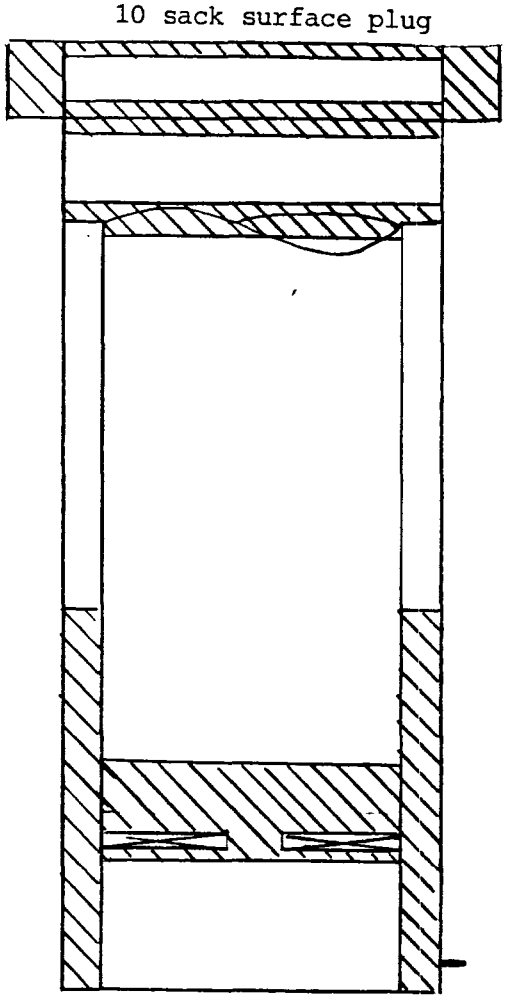
CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: Cement retainer at 3818', spotted 50 sxs. below retainer and 50 sxs. above retainer. Tagged cement at 3431. Cut & pulled casing from 778'. 50 sxs. at 817', 50 sxs. at 408', 10 sxs. surface plug.

State EKA #6
NE/4 NW/4 Sec. 17-18S-34E C
Lea County, New Mexico

SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500
9000



10-3/4" surface casing set at 380.83' with cement circulated

50 sxs. 308-408'

50 sxs. 717-817'
Cut and pulled casing from 778'

Top of cement at 2700'

Top of cement inside casing at 3431'

Cement retainer at 3818'
50 sxs. cement below retainer

Perforations 4444-4464'

5-1/2 production casing set at 4516.5'

Cement

WELL DATA SHEET

OPERATOR: Seely Oil Company LEASE: State AJ

WELL NO.: 1 FOOTAGE: 660' FNL & 661.5' FWL SECTION: 17-18S-34E D

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 200 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 12-1/4" SETTING DEPTH: 254'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 15.5# CEMENTED WITH: 1200 SX.
TOC: 1800 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 7-7/8" SETTING DEPTH: 4490'

TOTAL DEPTH: 4490'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 2/26/86 COMPLETION DATE: 4/7/86
PERFORATED: 4434 FEET TO 4446 FEET

STIMULATION: 500 gallons acid, 10,000 gallons & 10,000# sand

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: The Ohio Company LEASE: State EKA

WELL NO.: 5 FOOTAGE: 660' FWL & 1980' FNL SECTION: 17-18S-34E E

TUBULAR DATA

SURFACE CASING

SIZE: 10-3/4" 32.75# CEMENTED WITH: 250 SX.
TOC: Surrace FEET DETERMINED BY: Circulation
HOLE SIZE: 13-3/4" SETTING DEPTH: 367'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

TOTAL DEPTH: 4546'

PRODUCING INTERVAL

FORMATION: None POOL OR FIELD:
SPUD DATED: COMPLETION DATE:
PERFORATED: FEET TO FEET

STIMULATION: None

OTHER PERFORATED ZONES: None

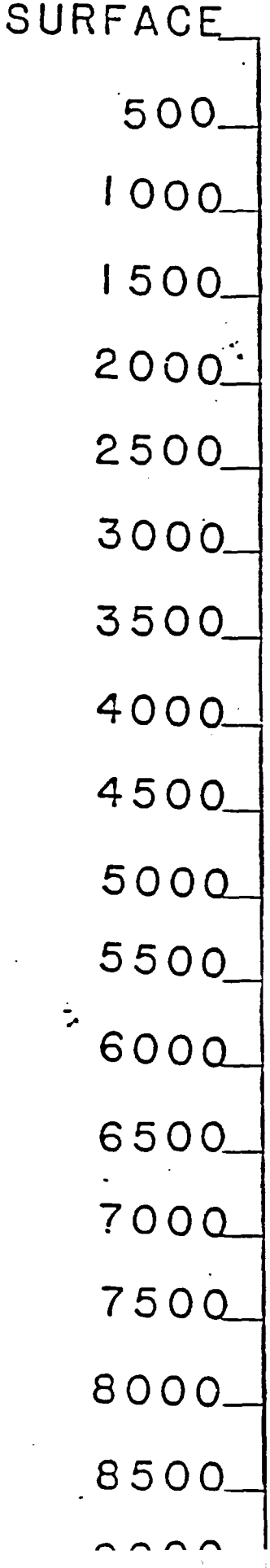
CURRENT STATUS

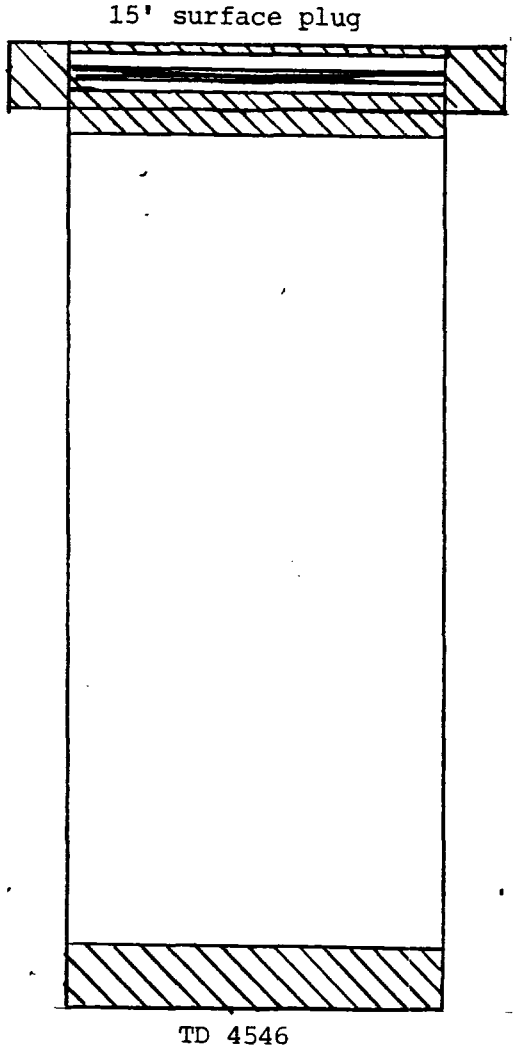
WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 150' cement plug 4546-4396', 200' cement plug from 467-267', CIBP at 200', 15' cement plug at surface.

State EKA #5
SW/4 NW/4 Sec. 17-18S-34E
Lea County, New Mexico

E





10-3/4" surface casing set at 367' with cement circulated

CIBP at 200'

200' cement plug 267-467'

150' cement plug 4396-4546'

Cement

WELL DATA SHEET

OPERATOR: Seely Oil Company LEASE: Santa Fe State

WELL NO.: 2 FOOTAGE: 330' FNL & 990' FEL SECTION: 18-18S-34E A

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 700 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 11" SETTING DEPTH: 1700'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 4-1/2" 10.5# CEMENTED WITH: 600 SX.
TOC: 3000 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 7-7/8" SETTING DEPTH: 4800'

TOTAL DEPTH: 4800'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 1/12/86 COMPLETION DATE: 8/1/86
PERFORATED: 4400 FEET TO 4414 FEET

STIMULATION: 1000 gallons acid, 19,000 gallons & 21,000# sand

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Marathon Oil Company LEASE: State EKA

WELL NO.: 3 FOOTAGE: 660' FNL & 660' FEL SECTION: 18-18S-34E A

TUBULAR DATA

SURFACE CASING

SIZE: 10-3/4" CEMENTED WITH: 200 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 13-3/4" SETTING DEPTH: 383.04'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 7" 23# CEMENTED WITH: 400 SX.
TOC: 2700 (estimated) FEET DETERMINED BY: Calculated
HOLE SIZE: 8-3/4" SETTING DEPTH: 4489'

TOTAL DEPTH: 4490'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 2/14/56 COMPLETION DATE: 3/15/56
PERFORATED: 4414 FEET TC 4426 FEET

STIMULATION: 500 gallons acid, 10,000 gallons lease oil and 10,000# sand

OTHER PERFORATED ZONES: None

CURRENT STATUS

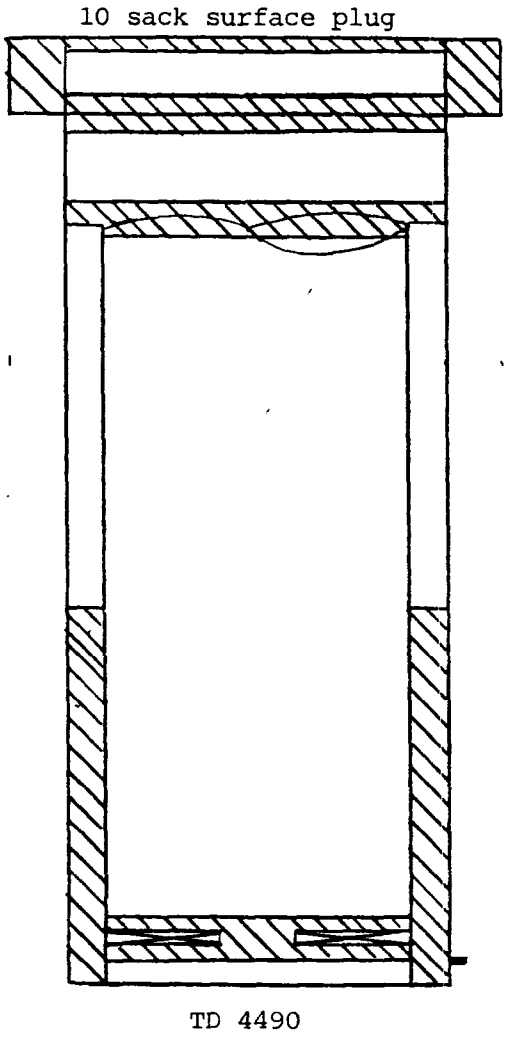
WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: Cement retainer at 4350' with 40 sxs. below and 10 sxs. above retainer. Cut and pulled casing at 789', 50 sxs. at 655-755', 50 sxs. 340-440', 10 sxs. surface plug.

State EKA #3
NE/4 NE/4 Sec. 18-18S-34E
Lea County, New Mexico

A

SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500
9000



10-3/4 surface casing set at 383.04 with cement circulated

50 sxs. 340-440'

50 sxs. 655-755'

Casing cut and pulled from 789'

Top of cement calculated at 2700'

Cement retainer set at 4350' with 40 sxs. below retainer and 10 sxs. above retainer

Perforations 4414-4426'

7" production casing set at 4489'

Cement

WELL DATA SHEET

OPERATOR: Marathon Oil Company LEASE: State EKA

WELL NO.: 2 FOOTAGE: 660' FNL & 1980' FEL SECTION: 18-18S-34E B

TUBULAR DATA

SURFACE CASING

SIZE: 10-3/4" 40.5# CEMENTED WITH: 200 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 13-3/4" SETTING DEPTH: 348'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 7" 23# CEMENTED WITH: 375 SX.
TOC: 2800 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 8-3/4" SETTING DEPTH: 4489'

TOTAL DEPTH: 4490'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates Seven Rivers Queen
SPUD DATED: 9/26/55 COMPLETION DATE: 10/31/55
PERFORATED: 4430 FEET TO 4440 FEET

STIMULATION: 500 gallons acid, 10,000 gallons oil & 10,000# sand

OTHER PERFORATED ZONES: None

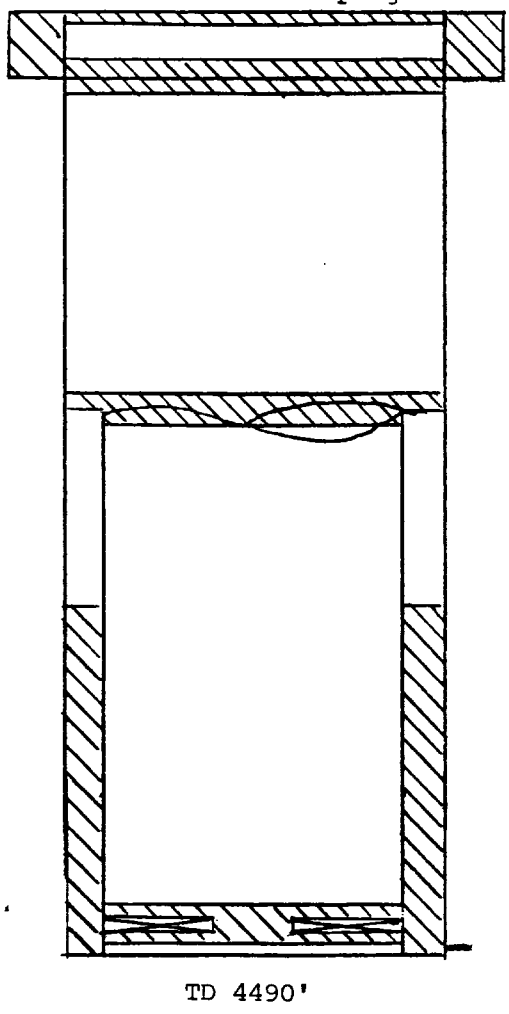
CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: Cement retainer at 4350' with 40 sxs. below the retainer and 10 sxs. above retainer. Cut & pulled casing from 1884', 50 sxs. 1934-1834', 50 sxs. 430-330', 10 sxs. surface plug.

State EKA #2
NW/4 NE/4 Sec. 18-18S-34E B
Lea County, New Mexico

SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500



10-3/4" surface casing set at 348' with cement circulated

50 sxs. 330-430'

Cut and pull casing from 1884'
50 sxs. 1834-1934'

Top of cement in annulus at 2800 (estimated)

Cement retainer set at 4350' with 40 sxs. below retainer and 10 sxs. above retainer

Perforations 4430-4440'

7" production casing set at 4489'

Cement

WELL DATA SHEET

OPERATOR: T. J. Sivley LEASE: Fox

WELL NO.: 3 FOOTAGE: 330' FNL & 2370' FWL SECTION: 18-18S-34E C

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 40# CEMENTED WITH: 220 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: Unknown SETTING DEPTH: 240

INTERMEDIATE CASING

SIZE: 8-5/8" CEMENTED WITH: Mudded SX.
TOC: None FEET DETERMINED BY: None
HOLE SIZE: Unknown SETTING DEPTH: 1775'

LONG STRING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

TOTAL DEPTH: 4450'

PRODUCING INTERVAL

FORMATION: None POOL OR FIELD:
SPUD DATE: COMPLETION DATE:
PERFORATED: FEET TO FEET

STIMULATION: None

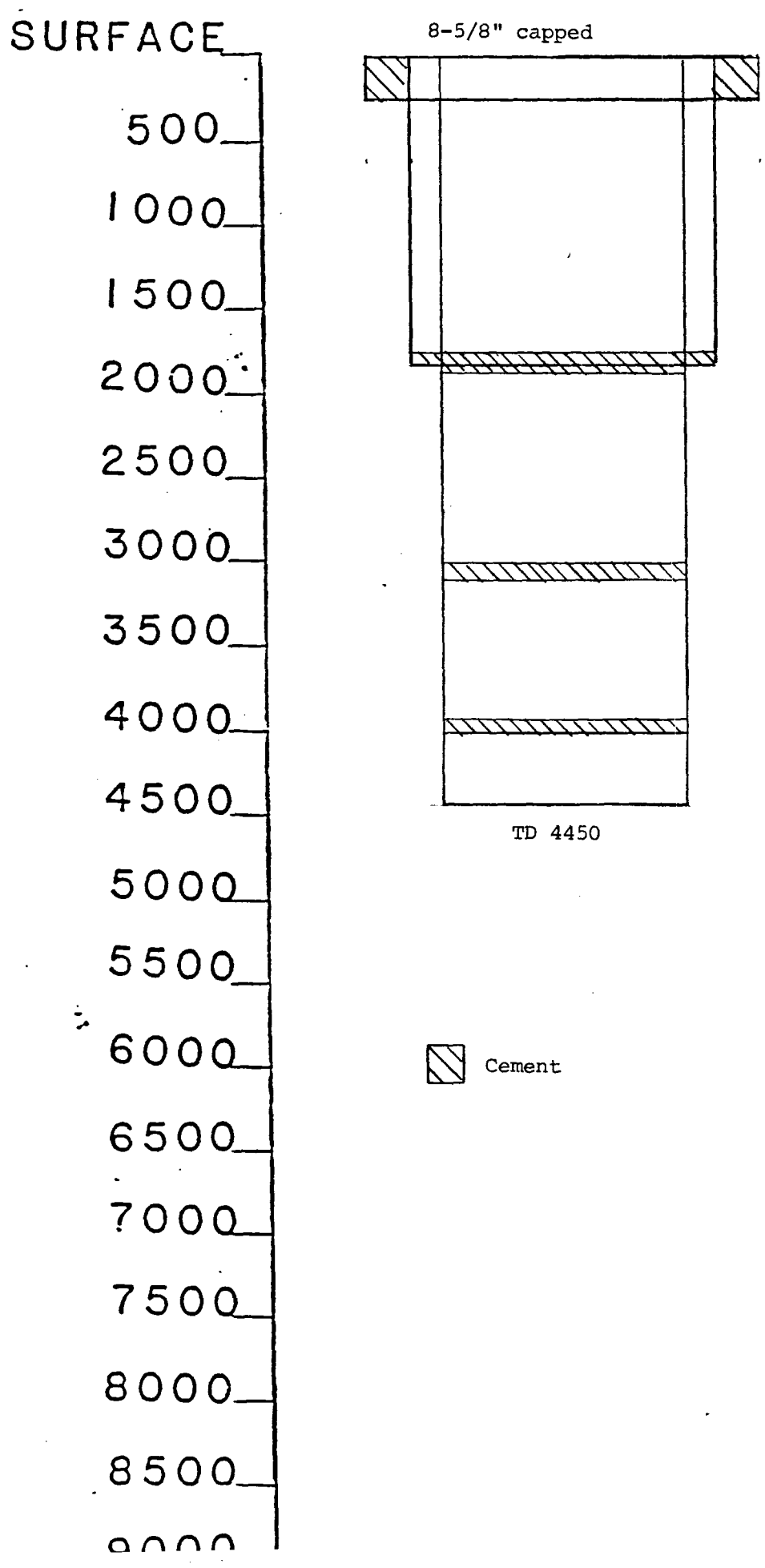
OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 10 sxs. at 4000', 20 sxs. at 3100', 20 sxs. at 1800', 8-5/8" casing was capped.

Fox #3
NE/4 NW/4 Sec. 18-18S-34E C
Lea County, New Mexico



WELL DATA SHEET

OPERATOR: T. J. Sivley LEASE: Fox

WELL NO.: 2 FOOTAGE: 660' FNL & 660' FWL SECTION: 18-18S-34E D

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 175 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: Unknown SETTING DEPTH: 299'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

TOTAL DEPTH: 4441'

PRODUCING INTERVAL

FORMATION: None POOL OR FIELD:
SPUD DATE: COMPLETION DATE:
PERFORATED: FEET TO FEET

STIMULATION: None

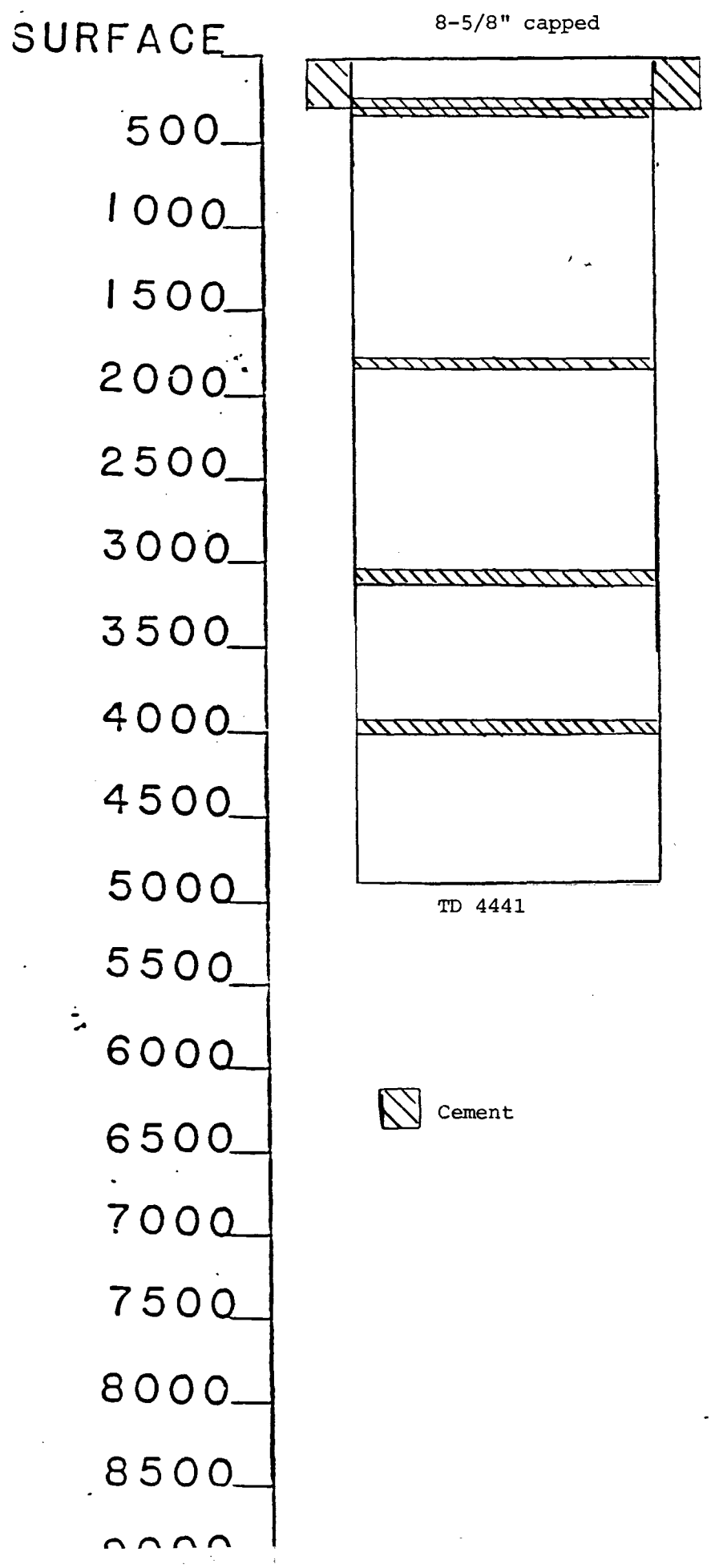
OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 20 sxs. at 4000', 20 sxs. at 3100', 20 sxs. at 1800', 15 sxs. at 330', cap put in 9-5/8" casing.

Fox #2
NW/4 NW/4 Sec. 18-18S-34E D
Lea County, New Mexico



3-5/8" surface casing set at 299' with cement circulated

15 sxs. at 330'

20 sxs. at 1800'

20 sxs. at 3100'

20 sxs. at 4000'

WELL DATA SHEET

OPERATOR: Oryx LEASE: Mescalero Ridge "C" Federal

WELL NO.: 1 FOOTAGE: 330' FNL & 330' FWL SECTION: 18-18S-34E D

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 48# CEMENTED WITH: 375 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/4" SETTING DEPTH: 365'

INTERMEDIATE CASING

SIZE: 8-5/8" 24 & 28# CEMENTED WITH: 1050 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 12-1/4" SETTING DEPTH: 3300'

LONG STRING

SIZE: 5-1/2" 15.5 & 17# CEMENTED WITH: 1950 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 7-7/8" SETTING DEPTH: 9180'

TOTAL DEPTH: 9180'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe Bone Springs
SPUD DATE: 9/20/85 COMPLETION DATE: 12/9/85
PERFORATED: 8772 FEET TO 8890 FEET

STIMULATION: 7000 gallons of acid, 34,000 gallons Versagel and 34,500# sand and 270,000 SCF nitrogen

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Pumping oil well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Santa Fe Exploration LEASE: E-K Queen Unit Tract 4

WELL NO.: 1 FOOTAGE: 1980' FNL & 660' FWL SECTION: 18-18S-34E E

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: Unknown SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: Unknown SETTING DEPTH: 1760'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 15.5# CEMENTED WITH: 100 SX.
TOC: 3800 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 7-7/8" SETTING DEPTH: 4373'

TOTAL DEPTH: 4413'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates-Seven Rivers-Queen
SPUD DATE: 12/20/54 COMPLETION DATE: 2/13/55
~~PERFORATED~~: Open Hole 4373' FEET TO 4413 FEET

STIMULATION: None

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Active water injection well

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Santa Fe Exploration Co. LEASE: Amoco-State

WELL NO.: 1 FOOTAGE: 1980' FNL & 660' FEL SECTION: 18-18S-34E H

TUBULAR DATA

SURFACE CASING

SIZE: 13-3/8" 54.5# CEMENTED WITH: 425 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 17-1/2" SETTING DEPTH: 409'

INTERMEDIATE CASING

SIZE: 8-5/8" 32# CEMENTED WITH: 2700 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 12-1/4" SETTING DEPTH: 5249'

LONG STRING

SIZE: 5-1/2" 17# CEMENTED WITH: 1050 SX.
TOC: 5000 FEET DETERMINED BY: Temp. Survey
HOLE SIZE: 7-7/8" SETTING DEPTH: 14,000'

TOTAL DEPTH: 14,002'

PRODUCING INTERVAL

FORMATION: Bone Springs POOL OR FIELD: Mescalero Escarpe Bone Springs
SPUD DATED: 3/30/83 COMPLETION DATE: 10/9/84
PERFORATED: 8576 FEET TC 8588 FEET

STIMULATION: 200 gallons 15% NEFE, 2000 gallons 15% MSR with 800 STF nitrogen/lb.

OTHER PERFORATED ZONES: Morrow 13,446-13,686' acidized w/3600 gals; Wolfcamp 10,728-11,170' acidized w/8000 gals; Bone Springs 10,443-10,485' & 9682-9699' acidized w/11,000 gals & squeezed w/100 sxs; 8440-8470' & 8682-9036' acidized w/9500 gals. & squeezed w/200 sxs; Queen 4420-4450' acidized w/4000 gals.

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Temporarily abandoned

IF P&A, LIST PLUGGING DETAILS:

WELL DATA SHEET

OPERATOR: Santa Fe Exploration Inc. LEASE: Lee Ranch

WELL NO.: 1 FOOTAGE: 1650' FSL & 660' FEL SECTION: 18-18S-34E I

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 700 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 12-1/4" SETTING DEPTH: 1693'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

TOTAL DEPTH: 4850'

PRODUCING INTERVAL

FORMATION: None POOL OR FIELD: E-K Yates-Seven Rivers-Queen
SPUD DATED: 9/7/85 COMPLETION DATE: 9/17/85
PERFORATED: FEET TO FEET

STIMULATION: None

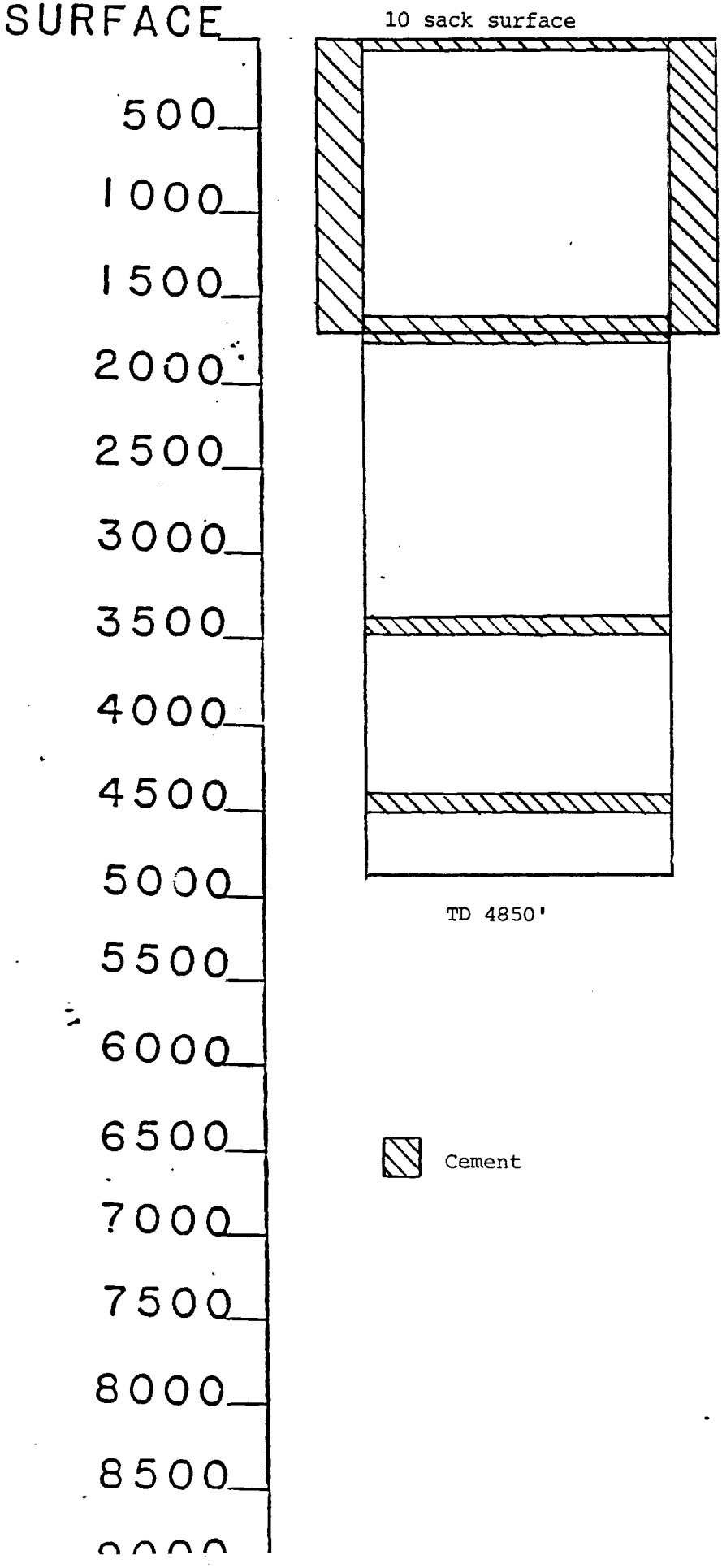
OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: 40 sxs. 4400-4500', 40 sxs. 3400-3500', 40 sxs. 1643-1743', 10' sxs. surface plug.

Lee Ranch #1
NE/4 SE/4 Sec. 18-18S-34E
Lea County, New Mexico



WELL DATA SHEET

OPERATOR: Santa Fe Exploration Inc. LEASE: E-K Queen Unit Tract 9

WELL NO.: 1 FOOTAGE: 1980' FSL & 1980' FEL SECTION: 18-18S-34E J

TUBULAR DATA

SURFACE CASING

SIZE: 10-3/4" 32.75# CEMENTED WITH: 200 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: 13-3/8" SETTING DEPTH: 375'

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 7" 23# CEMENTED WITH: 380 SX.
TOC: 3000 (estimated) FEET DETERMINED BY: Calculation
HOLE SIZE: 8-3/4" SETTING DEPTH: 4539'

TOTAL DEPTH: 4680'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates-Seven Rivers-Queen
SPUD DATE: 6/24/55 COMPLETION DATE: 7/27/55
PERFORATED: 4472 FEET TO 4480 FEET

STIMULATION: 10,000 gallons oil and 10,000# sand

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? P&A

IF P&A, LIST PLUGGING DETAILS: Cement retainer at 4380' & squeezed perfs. w/70 sxs. cement below retainer & 6 sxs. above retainer w/TOC @ 4230', 20 sxs. 3200-3320', perf. 4 holes @ 425', cement w/425 sxs., top of cement at 329', 10 sxs. surface plug @ 60'.

E-K Queen Unit Tract 9 #1
NW/4 SE/4 Sec. 18-18S-34E J
Lea County, New Mexico

10-3/4" surface casing set at 375' with cement circulated

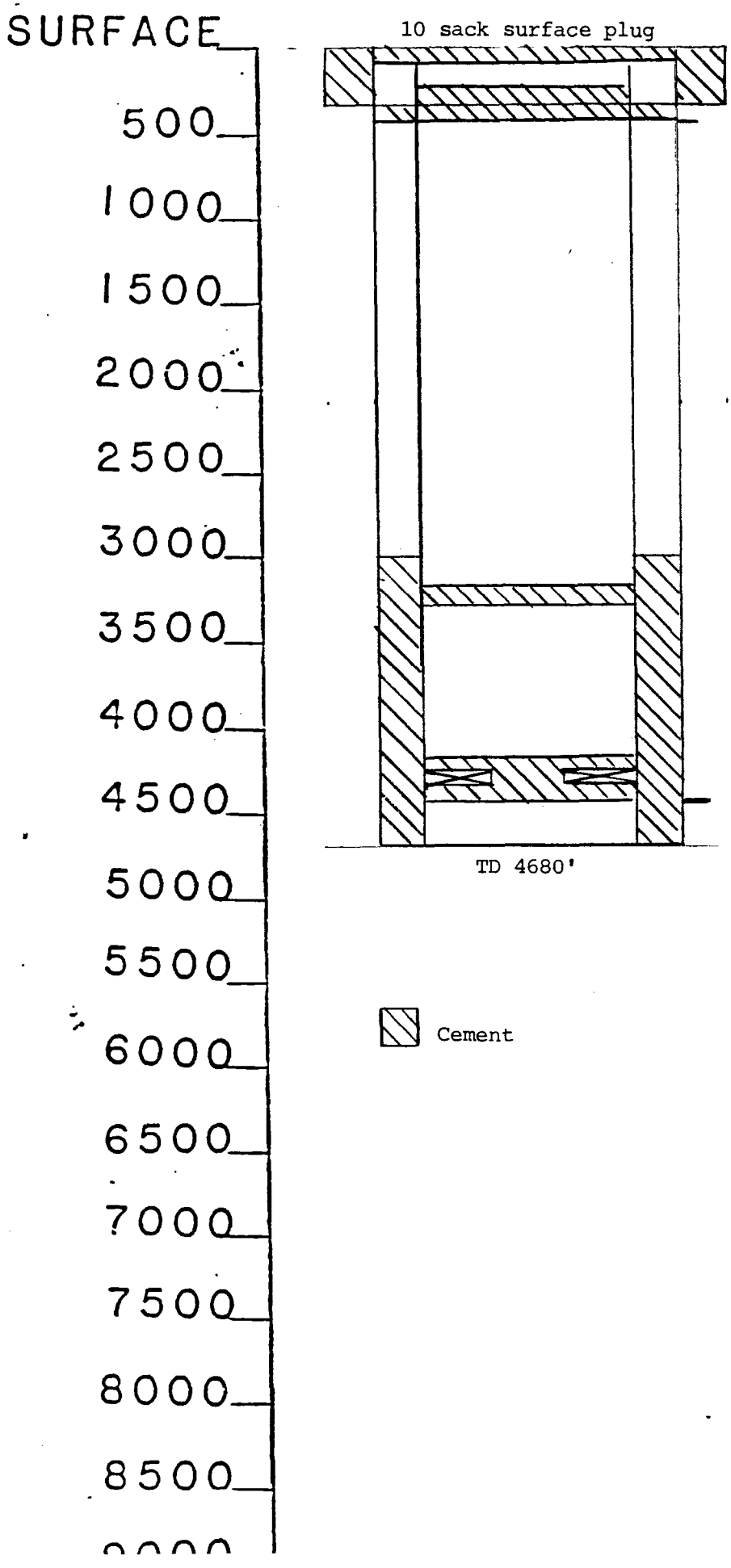
4 squeeze holes at 425', cemented with 425 sxs. with top of cement inside casing at 329'

Top of cement in annulus estimated to be 3000'
20 sxs. 3200-3320'

Cement retainer at 4380' with 70 sxs. below retainer and 6 sxs. above retainer. Tagged cement at 4230'.

Perforations 4472-4480'

7" production casing set at 4539'



WELL DATA SHEET

OPERATOR: Santa Fe Exploration Inc. LEASE: E-K Queen Unit Tract 3

WELL NO.: 2 FOOTAGE: 1980' FSL & 1980' FSL SECTION: 18-18S-34E K

TUBULAR DATA

SURFACE CASING

SIZE: 8-5/8" 24# CEMENTED WITH: 175 SX.
TOC: Surface FEET DETERMINED BY: Circulation
HOLE SIZE: Unknown SETTING DEPTH: 311

INTERMEDIATE CASING

SIZE: None CEMENTED WITH: SX.
TOC: FEET DETERMINED BY:
HOLE SIZE: SETTING DEPTH:

LONG STRING

SIZE: 5-1/2" 14# CEMENTED WITH: 525 SX.
TOC: Unknown FEET DETERMINED BY: Unknown
HOLE SIZE: Unknown SETTING DEPTH: 4509

TOTAL DEPTH: 4510'

PRODUCING INTERVAL

FORMATION: Queen POOL OR FIELD: E-K Yates-Seven Rivers-Queen
SPUD DATE: 8/28/55 COMPLETION DATE: 9/23/55
PERFORATED: 4440 FEET TO 4480 FEET

STIMULATION: Unknown

OTHER PERFORATED ZONES: None

CURRENT STATUS

WHAT IS CURRENT STATUS OF WELL? Active water injection well

IF P&A, LIST PLUGGING DETAILS:

INJECTION WELL DATA SHEET

Seely Oil Company — State OG 2414

OPERATOR — LEASE

1	2310' FNL & 660' FWL	7	18S	34E	E
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE	

Schematic

See Attached.

Tabular Data

PROPOSED

Surface Casing

Size 13-3/8" 48# " Cemented with 400 sx.

TOC Surface feet determined by Circulation

Hole size 17-1/2" Set at 375'

Intermediate Casing

Size 8-5/8" 24 & 32# Cemented with 1550 sx.

TOC Surface feet determined by Circulation

Hole size 11" Set at 3725'

Long string

Size 4-1/2" 10.5#" Cemented with 300 sx.

TOC 3100 (estimated) feet determined by Calculation

Hole size 7-7/8" Set at 4600'

Total depth 9000'

Injection interval

4361 feet to 4366 feet
(perforated or open-hole, indicate which)

Tubing size 2-3/8" lined with plastic (material) set in a

Guiberson Uni-1 (brand and model) packer at 4250 feet

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen

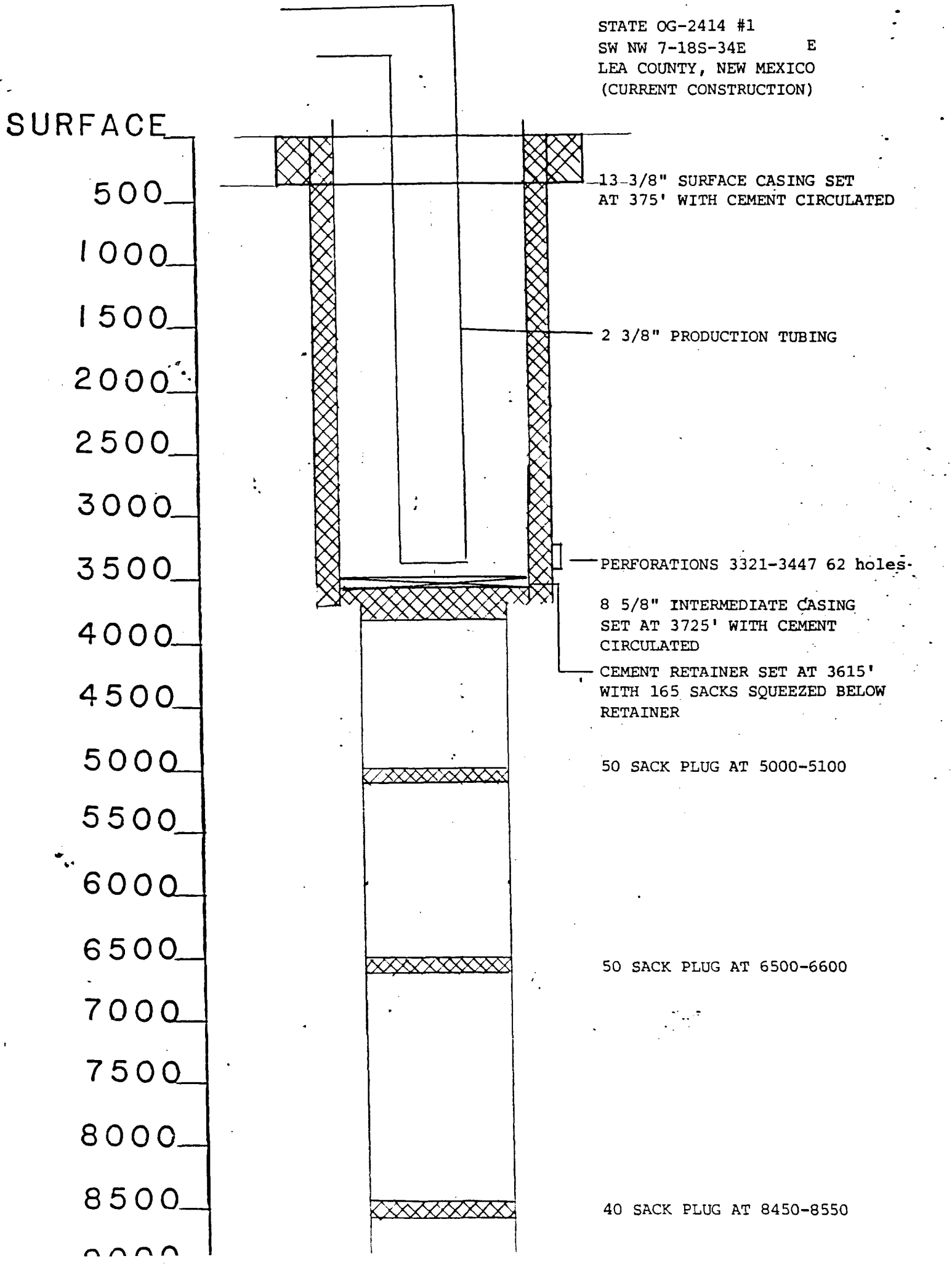
2. Name of Field or Pool (if applicable) E-K Yates-Seven Rivers-Queen

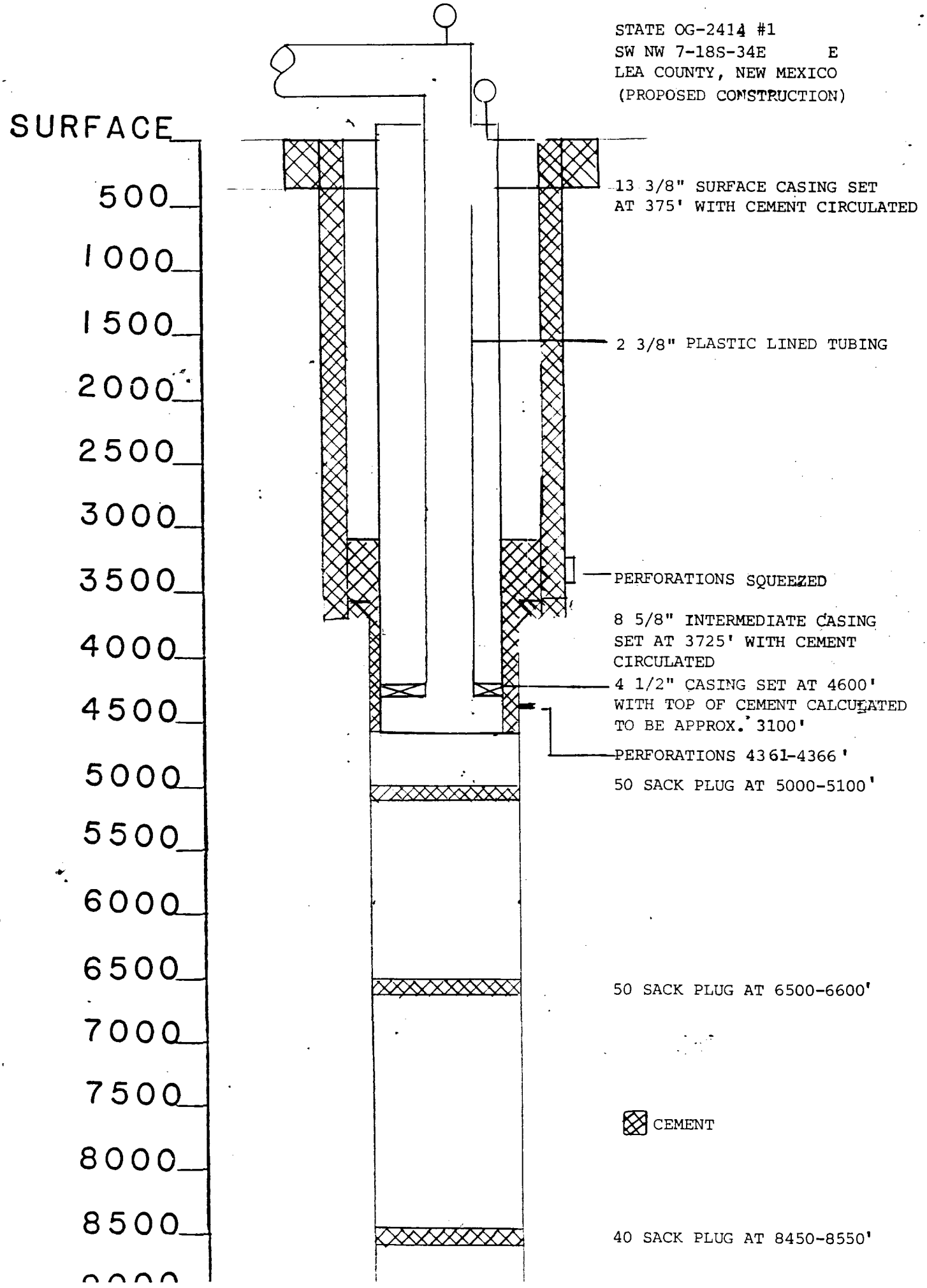
3. Is this a new well drilled for injection? [ ] Yes [X] No

   If no, for what purpose was the well originally drilled? Drilled to 9000' to test the Bone Springs. Is currently producing from the Yates formation.

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) Yes. 3321-25', 3331-37', 3347-53', 3426-28', 3434-41, 3444-47, total of 62 holes. Will be squeezed prior to conversion to water injection.

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. Yates 3300', Grayburg 4500'


STATE OG-2414 #1
SW NW 7-18S-34E
LEA COUNTY, NEW MEXICO
(CURRENT CONSTRUCTION)
E
SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500
13-3/8" SURFACE CASING SET AT 375' WITH CEMENT CIRCULATED
2 3/8" PRODUCTION TUBING
PERFORATIONS 3321-3447 62 holes
8 5/8" INTERMEDIATE CASING SET AT 3725' WITH CEMENT CIRCULATED
CEMENT RETAINER SET AT 3615' WITH 165 SACKS SQUEEZED BELOW RETAINER
50 SACK PLUG AT 5000-5100
50 SACK PLUG AT 6500-6600
40 SACK PLUG AT 8450-8550


STATE OG-2414 #1
SW NW 7-18S-34E E
LEA COUNTY, NEW MEXICO
(PROPOSED CONSTRUCTION)
SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500
13 3/8" SURFACE CASING SET AT 375' WITH CEMENT CIRCULATED
2 3/8" PLASTIC LINED TUBING
PERFORATIONS SQUEEZED
8 5/8" INTERMEDIATE CASING SET AT 3725' WITH CEMENT CIRCULATED
4 1/2" CASING SET AT 4600' WITH TOP OF CEMENT CALCULATED TO BE APPROX. 3100'
PERFORATIONS 4361-4366'
50 SACK PLUG AT 5000-5100'
50 SACK PLUG AT 6500-6600'
CEMENT
40 SACK PLUG AT 8450-8550'

INJECTION WELL DATA SHEET

OPERATOR	LEASE			
Marathon Oil Corp.	State M			
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE
2	2176' FWL & 1650' FNL	7	18S	34E F

Schematic

See Attached.

Tabular Data

Surface Casing

Size 7-5/8" 26# " Cemented with 175 sx.

TOC Surface feet determined by Circulated

Hole size 10-3/4" Set at 384'

Intermediate Casing

Size _____ " Cemented with _____ sx.

TOC _____ feet determined by _____

Hole size _____

Long string

Size 4-1/2" 11.6# " Cemented with 200 sx.

TOC 3000' (estimated) feet determined by Calculation

Hole size 6-3/4" Set at 4419'

Total depth 4421'

Injection interval

4348 feet to 4355 feet

(perforated or open-hole, indicate which)

Tubing size 2-3/8" lined with plastic (material) set in a

Guiberson Uni-1 (brand and model) packer at 4250± feet

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen

2. Name of Field or Pool (if applicable) E-K Yates-Seven Rivers-Queen

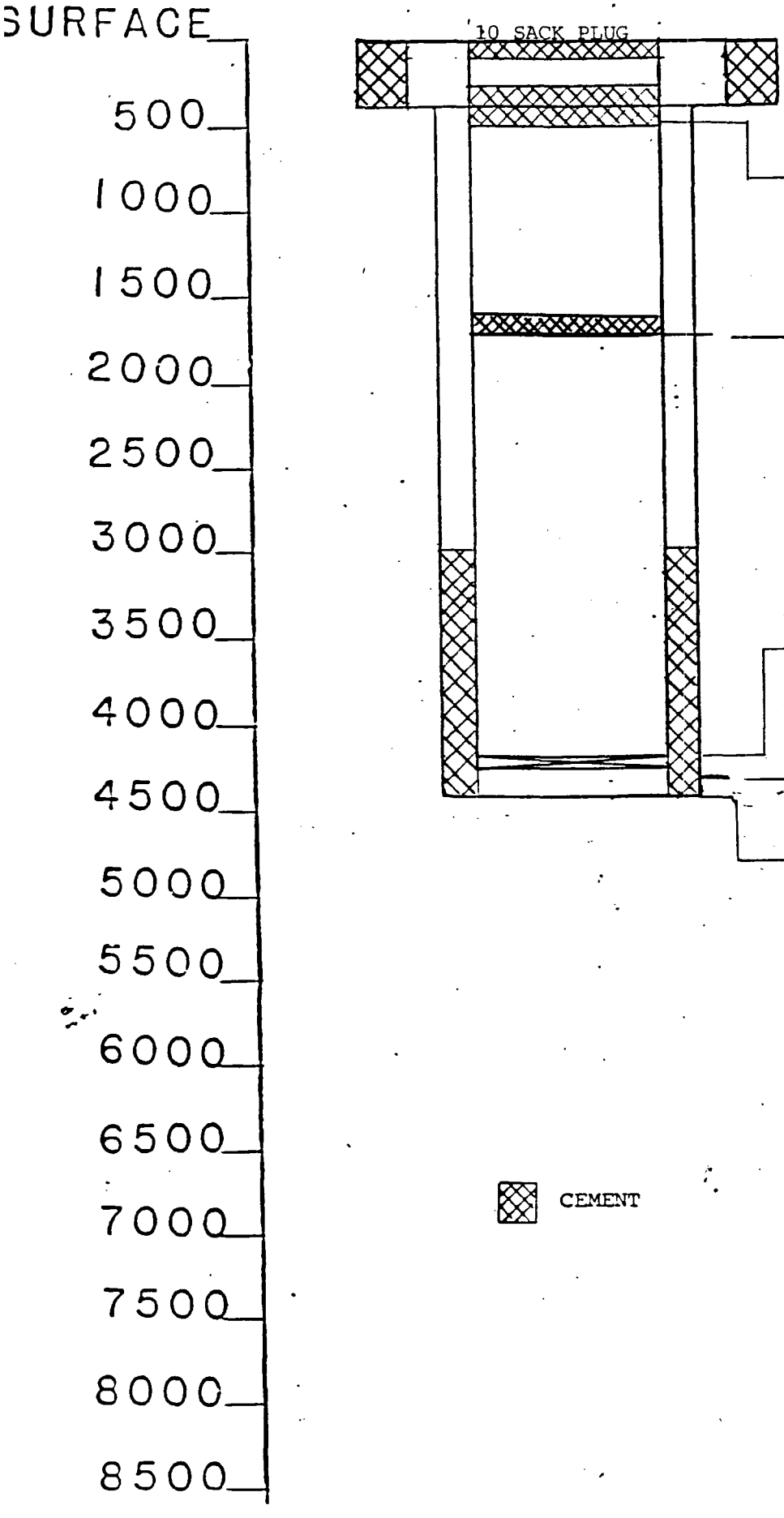
3. Is this a new well drilled for injection? [ ] Yes [X] No

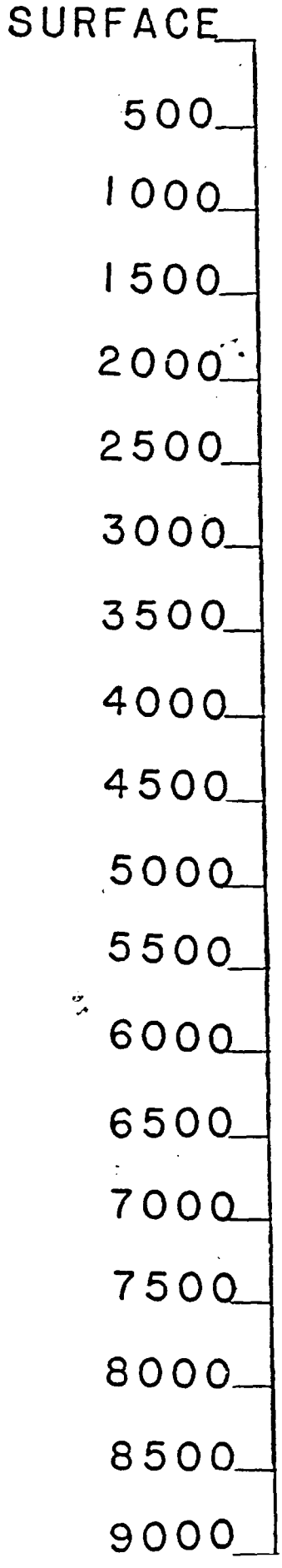
   If no, for what purpose was the well originally drilled? Oil producer from Queen formation

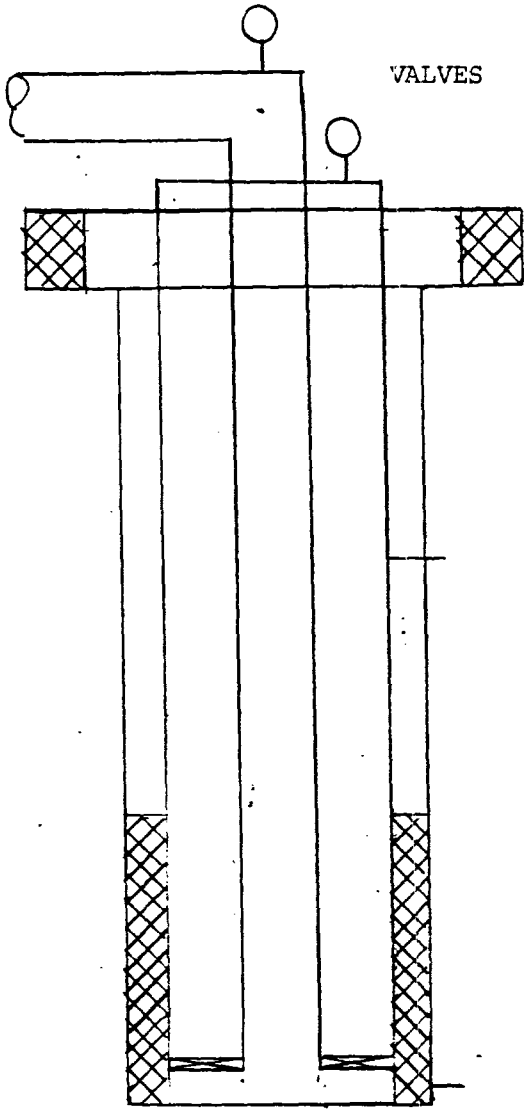
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) Yes, 4 squeeze holes @ 1700' cemented w/100 sxs. of cement above anhydrite section

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. Yates 3600', Grayburg 4600'

STATE M #2
SE NW 7-18S-34E F
LEA COUNTY, NEW MEXICO
(PRESENT CONDITION)







STATE M #2
SE NW 7-18S-34E F
LEA COUNTY, NEW MEXICO
(PROPOSED CONSTRUCTION)

7 5/8" SURFACE CASING
SET AT 384' WITH CEMENT
CIRCULATED

4 SQUEEZE HOLES AT 1700'
CEMENTED WITH 100 SACKS

2 3/8" PLASTIC LINED TUBING

INJECTION PACKER AT 4250±

PERFORATIONS 4348-4355

4 1/2"CASING SET AT 4419'
WITH CEMENT TOP CALCUTED
TO BE APPROX. 3000'

CEMENT

INJECTION WELL DATA SHEET

OPERATOR	LEASE			
Seely Oil Company	State "CL"			
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE
7	1650' FNL & 1980' FEL	7	18S	34E G

Schematic

See Attached.

Tabular Data

Surface Casing

Size 13-3/8" 35.6# Cemented with 320 sx.

TOC Surface feet determined by Circulation

Hole size 17-1/2" Set at 330'

Intermediate Casing

Size _____" Cemented with _____ sx.

TOC _____ feet determined by _____

Hole size _____

Long string

Size 4-1/2" 9.5# " Cemented with 320 sx.

TOC 3000' (estimated) feet determined by Calculation

Hole size 8" Set at 4413'

Total depth 4413'

Injection interval

4342 feet to 4360 feet

(perforated or open-hole, indicate which)

Tubing size 2-3/8" lined with plastic (material) set in a

Guiberson Uni-1 (brand and model) packer at 4300± feet

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen

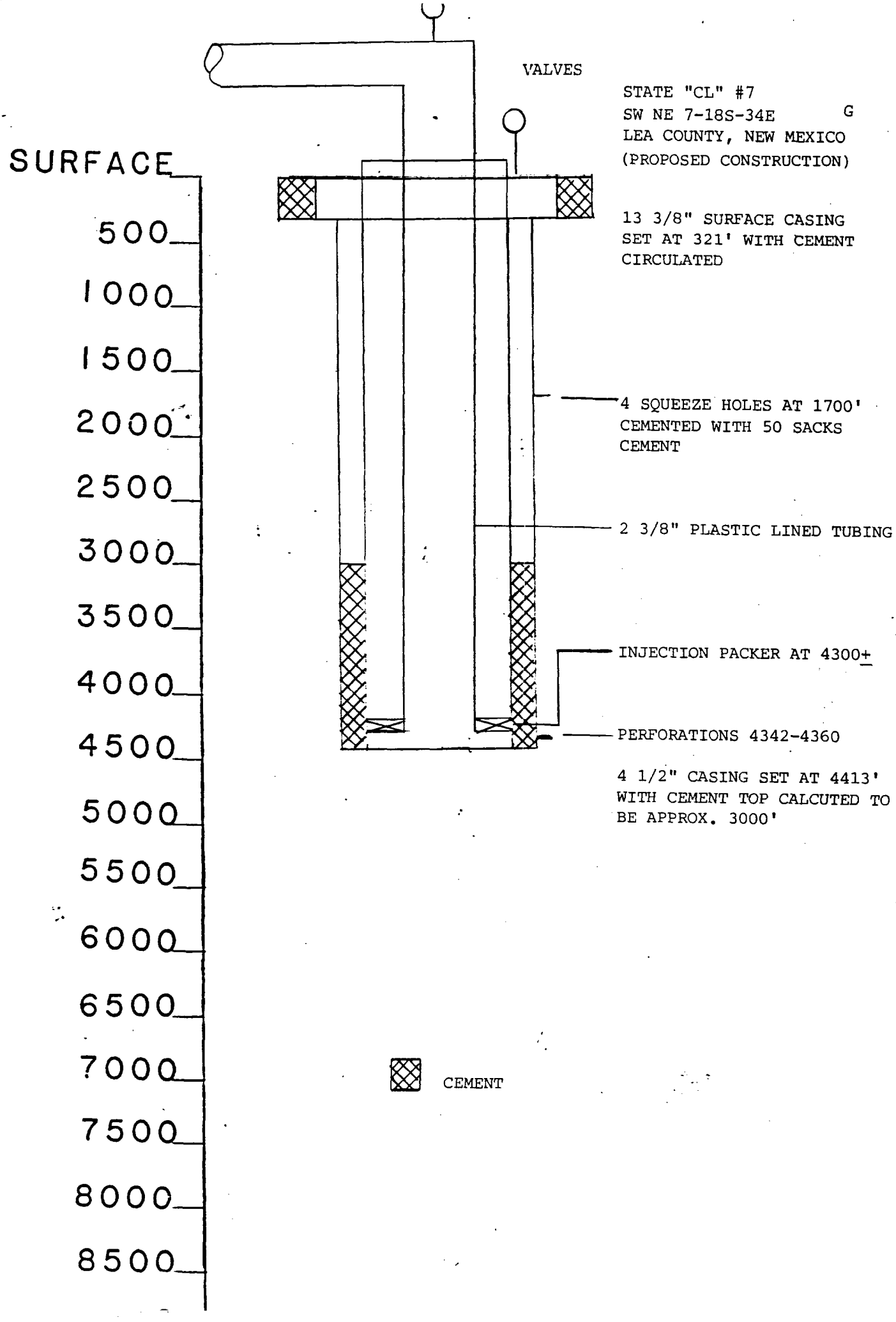
2. Name of Field or Pool (if applicable) E-K Yates-Seven Rivers-Queen

3. Is this a new well drilled for injection? [ ] Yes [X] No

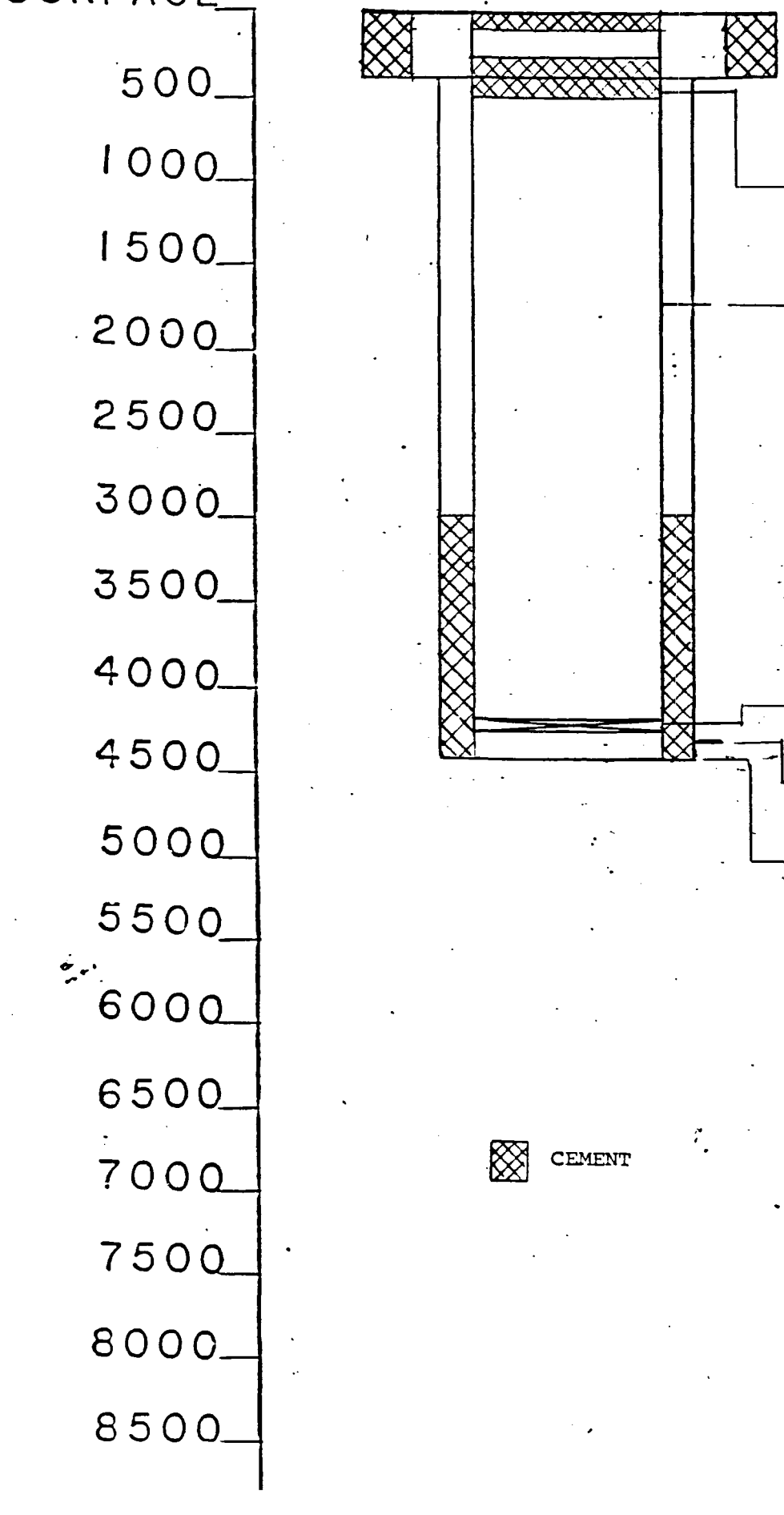
   If no, for what purpose was the well originally drilled? Oil producer from Queen formation

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) Yes - 4 squeeze holes at 1700', squeezed w/50 sxs. cement to isolate anhydrite section

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. Yates 3600', Grayburg 4600'


VALVES
STATE "CL" #7
SW NE 7-18S-34E
LEA COUNTY, NEW MEXICO
(PROPOSED CONSTRUCTION)
G
SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500
13 3/8" SURFACE CASING SET AT 321' WITH CEMENT CIRCULATED
4 SQUEEZE HOLES AT 1700' CEMENTED WITH 50 SACKS CEMENT
2 3/8" PLASTIC LINED TUBING
INJECTION PACKER AT 4300±
PERFORATIONS 4342-4360
4 1/2" CASING SET AT 4413' WITH CEMENT TOP CALCUTED TO BE APPROX. 3000'
CEMENT

STATE "CL" #7
SW NE 7-18S-34E G
LEA COUNTY, NEW MEXICO
(PRESENT CONDITION)



INJECTION WELL DATA SHEET

Seely Oil Company	State HS			
OPERATOR	LEASE			
2	1980' FSL & 660' FWL	9	18S	34E L
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE

Schematic

See Attached

Tabular Data

Surface Casing

Size 13-3/8" 54.5# " Cemented with 550 sx.

TOC Surface feet determined by Circulation

Hole size 20" & 17-1/2" Set at 516'

Intermediate Casing

Size 8-5/8" 24 & 32# Cemented with 1650 sx.

TOC Surface feet determined by Circulation

Hole size 11" Set at 3600'

Long string

Size 5-1/2" 15.5 & 17# Cemented with 1500 sx.

TOC Surface feet determined by Circulation

Hole size 7-7/8"

Total depth 9000'

Injection interval

4380 feet to 4385 feet
(perforated or open-hole, indicate which)

Tubing size 2-3/8" lined with plastic (material) set in a

Watson Nickel Plated (brand and model) packer at 4254.54 feet

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen

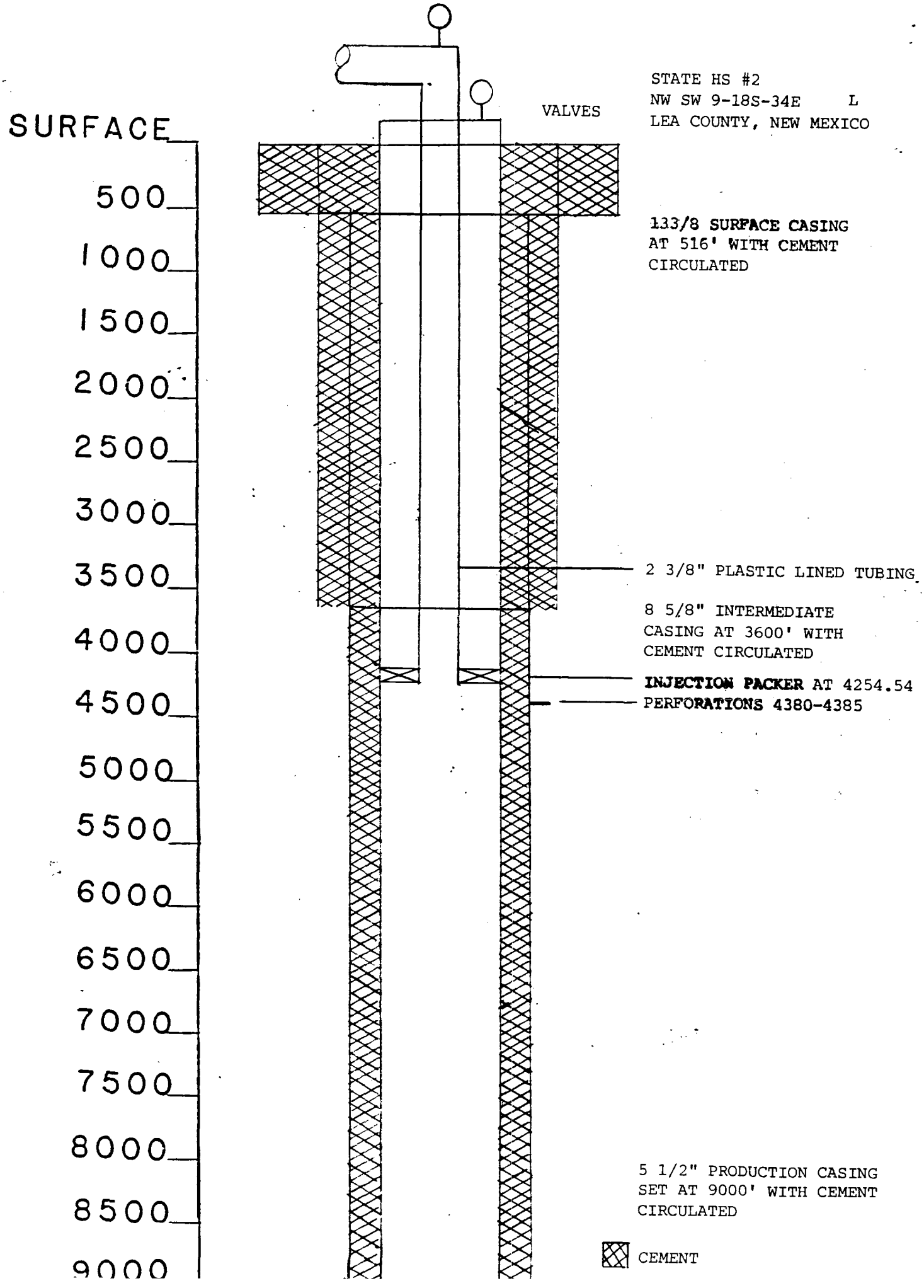
2. Name of Field or Pool (if applicable) E-K Yates-Seven Rivers-Queen

3. Is this a new well drilled for injection? / / Yes /X/ No

   If no, for what purpose was the well originally drilled? To test the Bone Springs formation for oil and gas production

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used)

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. Yates 3600', Grayburg 4450'


SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500
9000
VALVES
STATE HS #2
NW SW 9-18S-34E L
LEA COUNTY, NEW MEXICO
13 3/8 SURFACE CASING
AT 516' WITH CEMENT
CIRCULATED
2 3/8" PLASTIC LINED TUBING
8 5/8" INTERMEDIATE
CASING AT 3600' WITH
CEMENT CIRCULATED
INJECTION PACKER AT 4254.54
PERFORATIONS 4380-4385
5 1/2" PRODUCTION CASING
SET AT 9000' WITH CEMENT
CIRCULATED
CEMENT

INJECTION WELL DATA SHEET

OPERATOR	LEASE				
Seely Oil Company	State HS				
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE	
2	1980' FSL & 660' FWL	9	18S	34E	L

Schematic

See Attached

Tabular Data

Surface Casing

Size 13-3/8" 54.5# " Cemented with 550 sx.

TOC Surface feet determined by Circulation

Hole size 20" & 17-1/2" Set at 516'

Intermediate Casing

Size 8-5/8" 24 & 32# Cemented with 1650 sx.

TOC Surface feet determined by Circulation

Hole size 11" Set at 3600'

Long string

Size 5-1/2" 15.5 & 17# Cemented with 1500 sx.

TOC Surface feet determined by Circulation

Hole size 7-7/8"

Total depth 9000'

Injection interval

4380 feet to 4385 feet
(perforated or open-hole, indicate which)

Tubing size 2-3/8" lined with plastic (material) set in a

Watson Nickel Plated (brand and model) packer at 4254.54 feet

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen

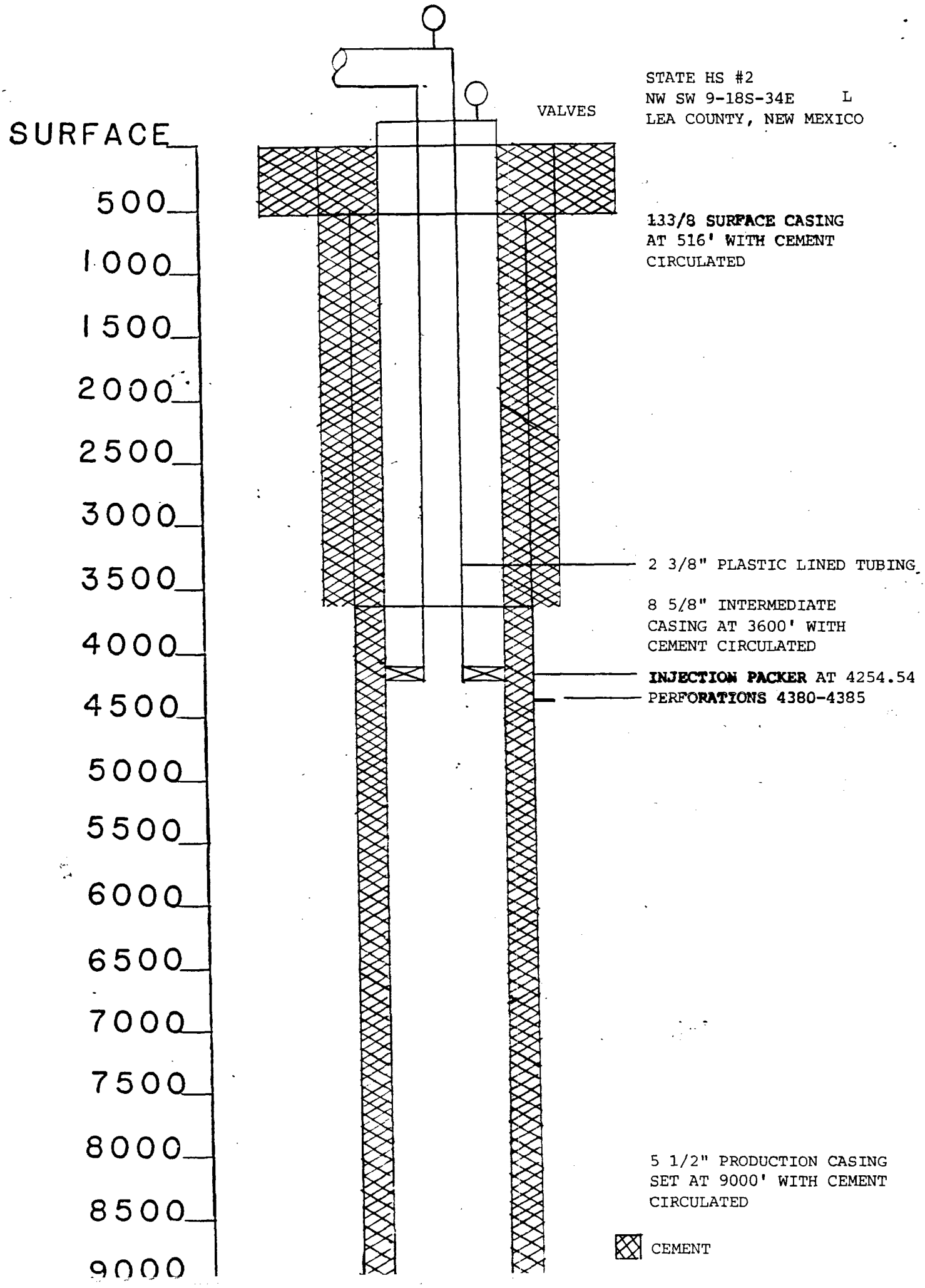
2. Name of Field or Pool (if applicable) E-K Yates-Seven Rivers-Queen

3. Is this a new well drilled for injection? [ ] Yes [X] No

   If no, for what purpose was the well originally drilled? To test the Bone Springs formation for oil and gas production

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used)

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. Yates 3600', Grayburg 4450'


SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500
9000
VALVES
STATE HS #2
NW SW 9-18S-34E L
LEA COUNTY, NEW MEXICO
13 3/8 SURFACE CASING
AT 516' WITH CEMENT
CIRCULATED
2 3/8" PLASTIC LINED TUBING
8 5/8" INTERMEDIATE
CASING AT 3600' WITH
CEMENT CIRCULATED
INJECTION PACKER AT 4254.54
PERFORATIONS 4380-4385
5 1/2" PRODUCTION CASING
SET AT 9000' WITH CEMENT
CIRCULATED
CEMENT

INJECTION WELL DATA SHEET

OPERATOR		LEASE			
Seely Oil Company		Rhodes State			
1	660' FSL & 660' FWL	9	18S	34E	M
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE	

Schematic

See Attached.

Tabular Data

Surface Casing

Size 8-5/8" 24# " Cemented with 275 sx.

TOC Surface feet determined by Circulated

Hole size 11" Set at 393'

Intermediate Casing

Size _____ " Cemented with _____ sx.

TOC _____ feet determined by _____

Hole size _____

Long string

Size 4-1/2" 10.5# " Cemented with 1000 sx.

TOC Surface feet determined by Circulated

Hole size 7-7/8"

Total depth 4482'

Injection interval

4387 feet to 4415 feet
(perforated or open-hole, indicate which)

Tubing size 2-3/8" lined with plastic (material) set in a

Guiberson Uni-1 (brand and model) packer at 4300± feet

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen

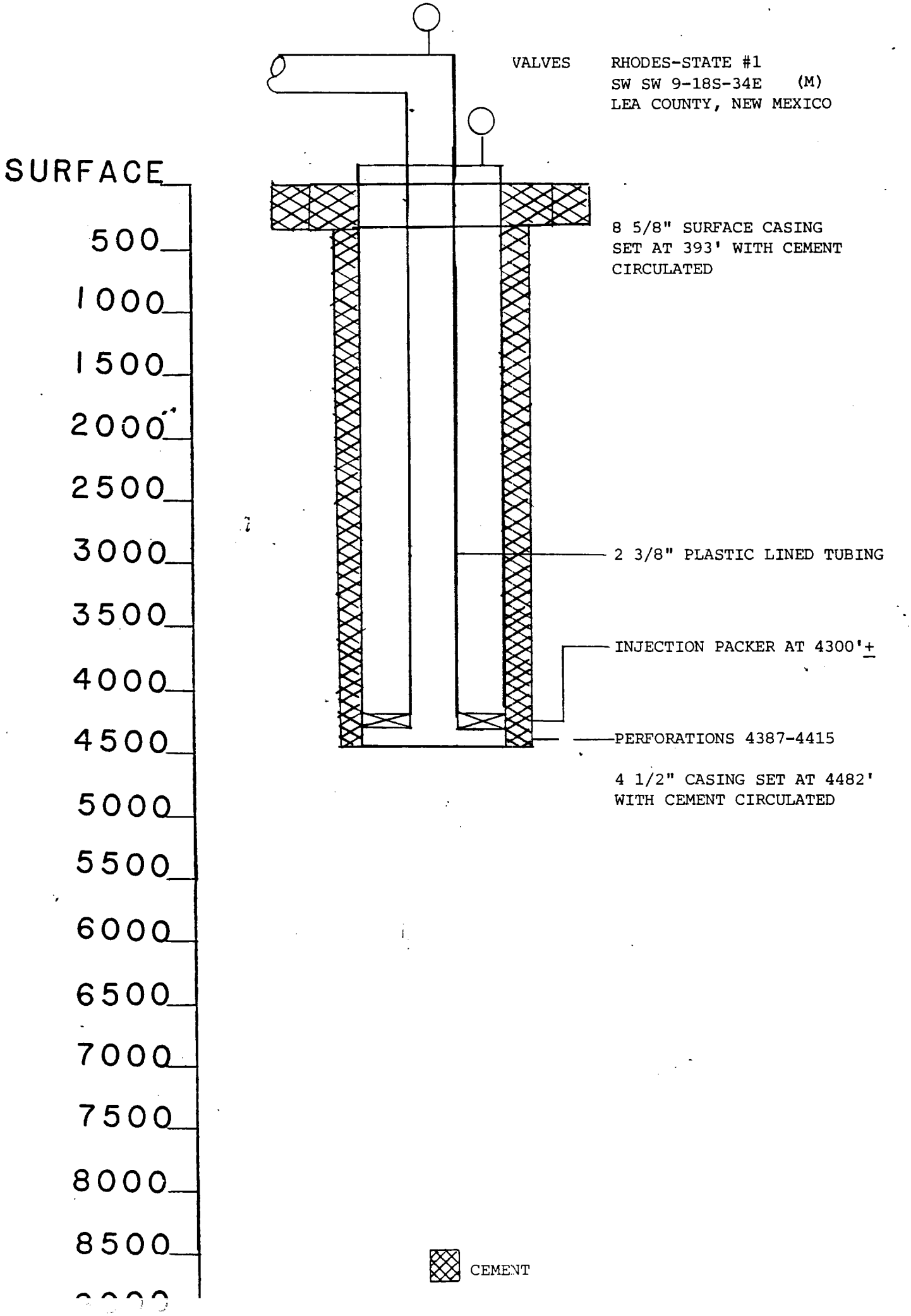
2. Name of Field or Pool (if applicable) E-K Yates-Seven Rivers-Queen

3. Is this a new well drilled for injection? [ ] Yes [X] No

   If no, for what purpose was the well originally drilled? Oil producer in Queen

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) None

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. Yates 3600', Grayburg 4450'


VALVES
RHODES-STATE #1
SW SW 9-18S-34E (M)
LEA COUNTY, NEW MEXICO
SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500
8 5/8" SURFACE CASING
SET AT 393' WITH CEMENT
CIRCULATED
2 3/8" PLASTIC LINED TUBING
INJECTION PACKER AT 4300'±
PERFORATIONS 4387-4415
4 1/2" CASING SET AT 4482'
WITH CEMENT CIRCULATED
CEMENT

INJECTION WELL DATA SHEET

Oxy USA	State DW			
OPERATOR	LEASE			
5	660' FSL & 660' FEL	12	18S	33E P
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE

Schematic

See Attached.

Tabular Data

Surface Casing

Size 13-3/8" 48# " Cemented with 500 sx.

TOC Surface feet determined by Circulation

Hole size 17-1/2" Set at 348'

Intermediate Casing

Size 8-5/8" 24 & 32# Cemented with 1300 sx.

TOC Surface feet determined by Circulation

Hole size 11" Set at 3300'

Long string

Size 5-1/2" 15.5 & 17# Cemented with 1335 sx.

TOC 3300' feet determined by CBL

Hole size 7-7/8"

Total depth 9030'

Injection interval

4384 feet to 4398 feet
(perforated or open-hole, indicate which)

Tubing size 2-3/8" lined with plastic (material) set in a

Guiberson Uni-1 (brand and model) packer at 4300 feet

(or describe any other casing-tubing seal).

Other Data

1. Name of the injection formation Queen

2. Name of Field or Pool (if applicable) E-K Yates-Seven Rivers-Queen

3. Is this a new well drilled for injection? /7/ Yes /X/ No

   If no, for what purpose was the well originally drilled? Bone Springs test.
   Currently producing from the Yates.

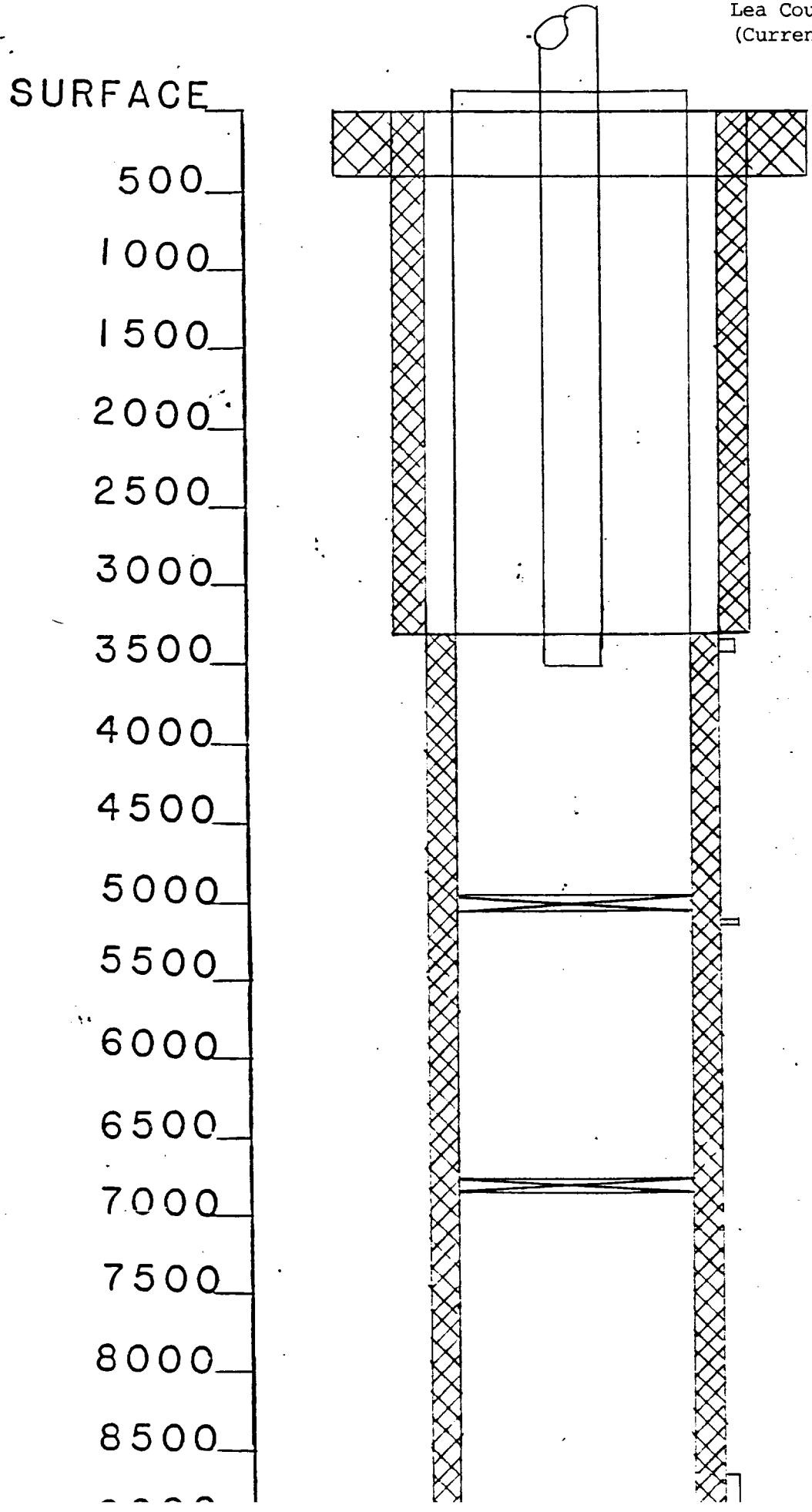
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) Yes

   5091-5096', CIBP @ 5013' w/100' cement on top of plug, 8837-42', 8867-76' squeezed, 8689-8876', CIBP @ 6784' w/3 sxs. on plug.

5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. Yates 3300', Premier 5090'

Cement

State DW #5
SE/4 SE/4 Sec. 12-18S-33E P
Lea County, New Mexico
(Current Construction)



13-3/8" surface casing set at 348' with cement circulated

8-5'8" intermediate casing set at 3300' with cement circulated

Perforations 3343-3478'

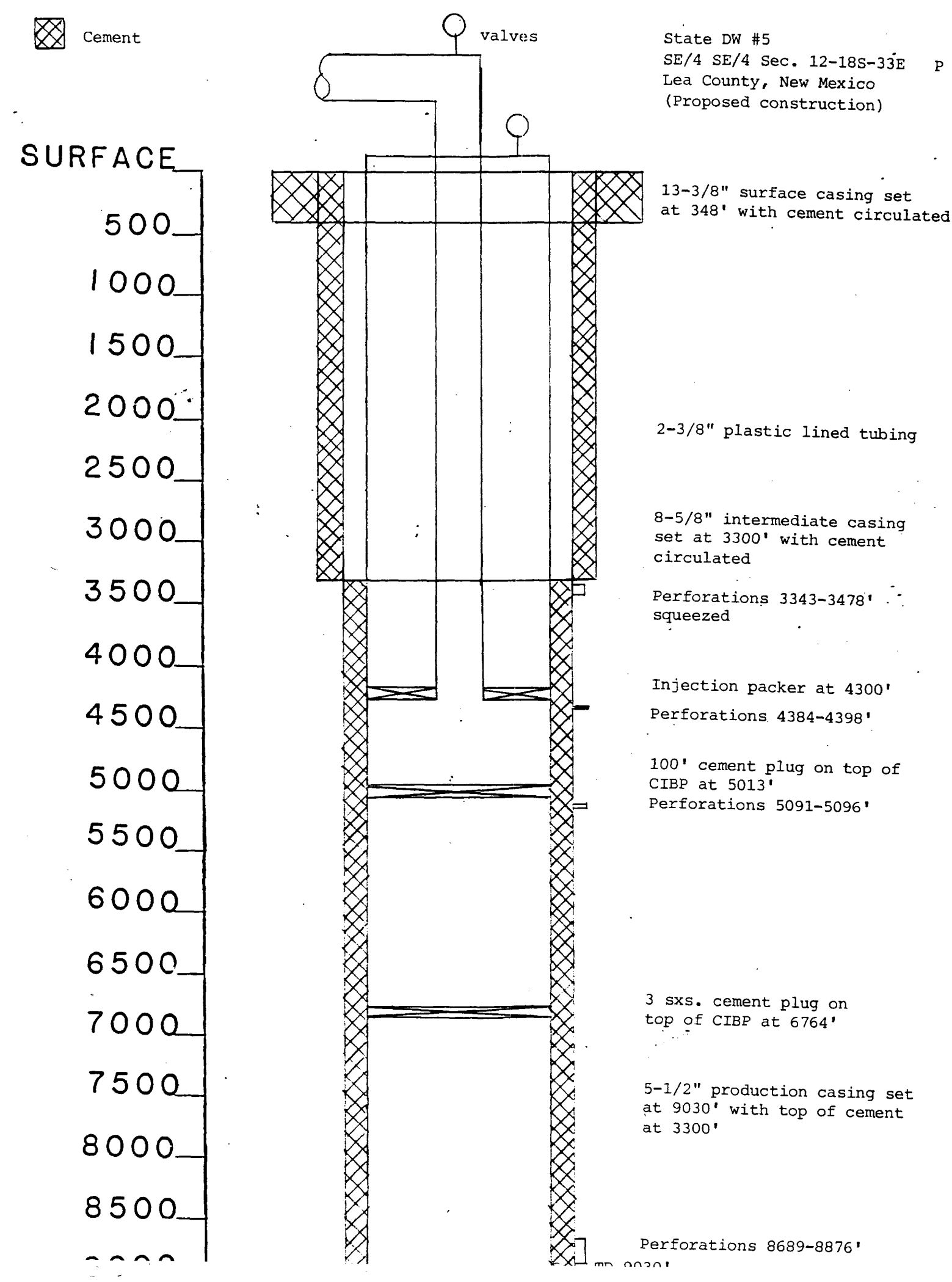
100 ' cement plug on top of CIBP at 5013'

Perforations 5091-5096'

3 sxs. cement plug on top of CIBP @ 6764'

5-1/2" production casing set at 9030' with top of cement at 3300'

Perforations 8689-8876'


Cement
valves
State DW #5
SE/4 SE/4 Sec. 12-18S-33E
Lea County, New Mexico
(Proposed construction)
SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500
13-3/8" surface casing set at 348' with cement circulated
2-3/8" plastic lined tubing
8-5/8" intermediate casing set at 3300' with cement circulated
Perforations 3343-3478' squeezed
Injection packer at 4300'
Perforations 4384-4398'
100' cement plug on top of CIBP at 5013'
Perforations 5091-5096'
3 sxs. cement plug on top of CIBP at 6764'
5-1/2" production casing set at 9030' with top of cement at 3300'
Perforations 8689-8876'

INJECTION WELL DATA SHEET

OPERATOR	LEASE			
Ray Westall	Joannie Shell			
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE
1	330' FNL & 330' FWL	16	18S	34E D

Schematic

See Attached.

Tabular Data

Surface Casing

Size 8-5/8" 24# " Cemented with 279 sx.

TOC Surface feet determined by Circulation

Hole size 11" Set at 325'

Intermediate Casing

Size None " Cemented with _____ sx.

TOC _____ feet determined by _____

Hole size _____

Long string

Size 4-1/2" 10.5# " Cemented with 400 sx.

TOC 3000' (estimated) feet determined by Calculation

Hole size 7-7/8"

Total depth 4682'

Injection interval

4418 feet to 4458 feet

(perforated or open-hole, indicate which)

Tubing size 2-3/8" lined with plastic (material) set in a

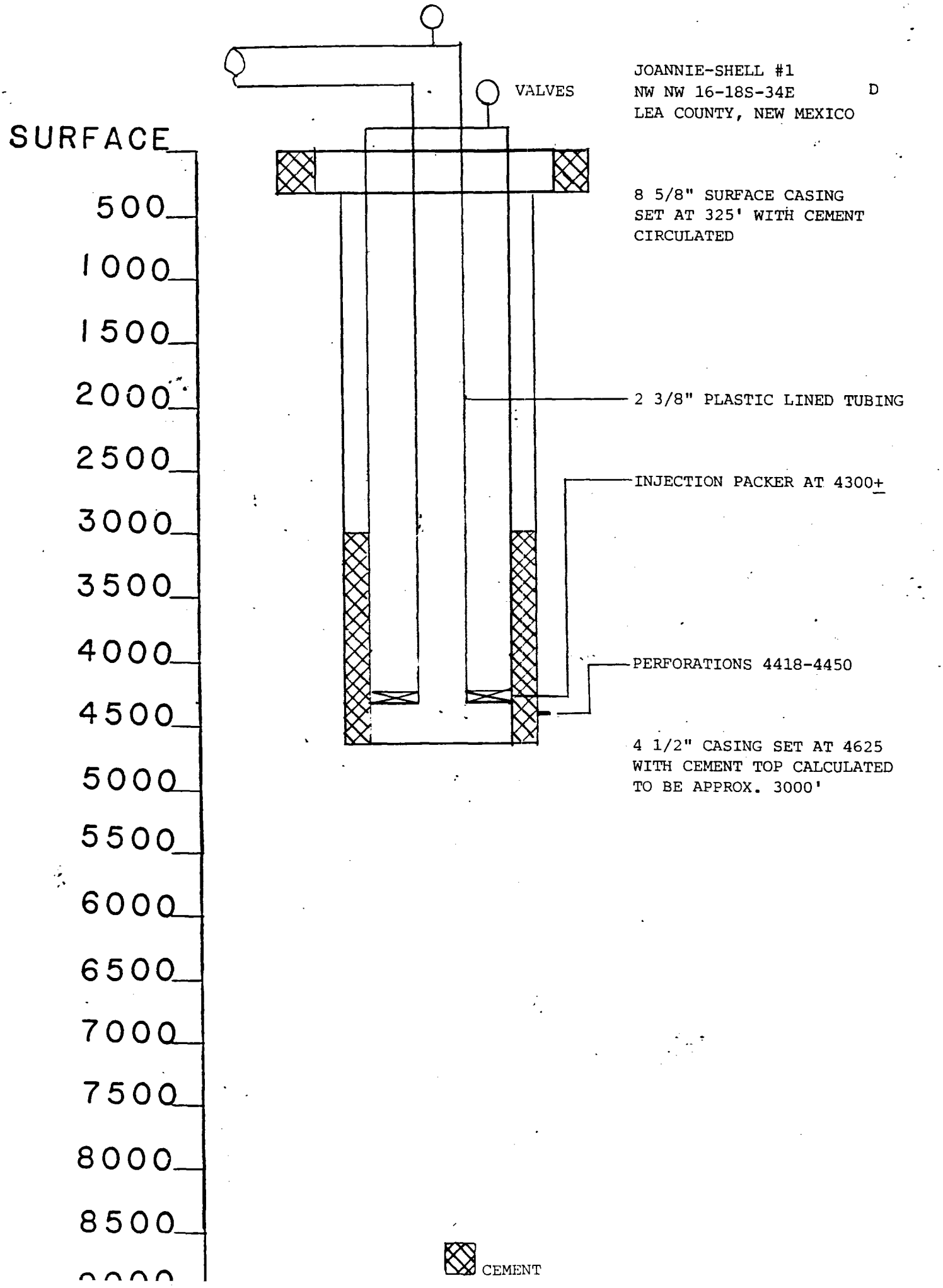
Guiberson Uni-1 (brand and model) packer at 4300± feet

(or describe any other casing-tubing seal).

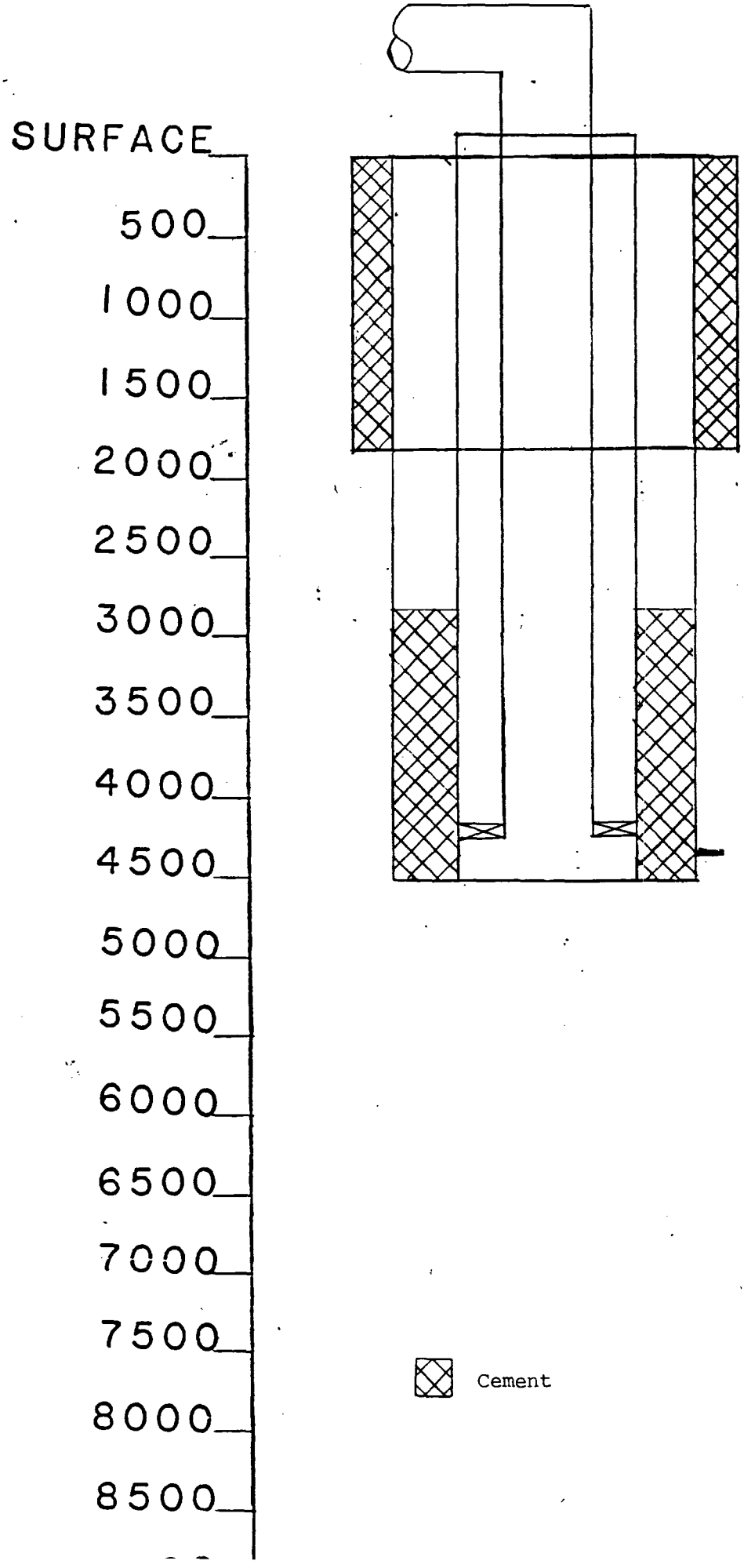
Other Data

1. Name of the injection formation Queen
2. Name of Field or Pool (if applicable) E-K Yates-Seven Rivers-Queen
3. Is this a new well drilled for injection? /7/ Yes /X/ No

   If no, for what purpose was the well originally drilled? Pumping oil well from Queen
4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) None
5. Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. Yates 3600', Grayburg 4450'


JOANNIE-SHELL #1
NW NW 16-18S-34E
LEA COUNTY, NEW MEXICO
D
VALVES
SURFACE
500
1000
1500
2000
2500
3000
3500
4000
4500
5000
5500
6000
6500
7000
7500
8000
8500
8 5/8" SURFACE CASING SET AT 325' WITH CEMENT CIRCULATED
2 3/8" PLASTIC LINED TUBING
INJECTION PACKER AT 4300+
PERFORATIONS 4418-4450
4 1/2" CASING SET AT 4625 WITH CEMENT TOP CALCULATED TO BE APPROX. 3000'
CEMENT

"Typical Water Injection Well"
E-K Yates-Seven Rivers-Queen Area
Lea County, New Mexico



8-5/8" surface casing set at approx. 1700' and cemented to surface

2-3/8" plastic lined tubing

Injection packer set at approx. 4300'

Perforations in Queen at approx. 4350-4400.

4-1/2 production casing set at approx. 4500' with top of cement at approx. 2800'

UNIT OPERATING AGREEMENT
FOR THE DEVELOPMENT AND OPERATION
OF THE
CENTRAL EK QUEEN UNIT AREA
LEA COUNTY, NEW MEXICO

UNIT OPERATING AGREEMENT
CENTRAL EK QUEEN UNIT
LEA COUNTY, NEW MEXICO

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UNIT OPERATING AGREEMENT
CENTRAL EK QUEEN UNIT
LEA COUNTY, NEW MEXICO

THIS AGREEMENT, entered into as of the 1st day of December, 1992, by and between the parties who execute or ratify this Agreement;

WITNESSETH

THAT, WHEREAS, the parties hereto as Working Interest Owners have executed as of the date hereof, that certain Unit Agreement for the development and operation of the Central EK Queen Unit, Lea County, New Mexico, hereinafter referred to as "Unit Agreement", and which, among other things, provides for a separate agreement to be made and entered into by and between Working Interest Owners pertaining to the development and operation of the Unit Area therein defined;

NOW, THEREFORE, in consideration of the mutual agreements herein set forth, it is agreed as follows:

ARTICLE 1

CONFIRMATION OF UNIT AGREEMENT

1.1 Confirmation of Unit Agreement. The Unit Agreement is hereby confirmed and incorporated herein by reference and made a part of this Agreement. The definitions in the Unit Agreement are adopted for all purposes of this Agreement. In the event that there is any conflict between the Unit Agreement and this Agreement, the Unit Agreement shall prevail.

ARTICLE 2

EXHIBITS

2.1 Exhibits. The following exhibits are incorporated herein by reference:

2.1.1 Exhibits "A", "B" and "C" of the Unit Agreement.

2.1.2 Exhibit "D" attached hereto, is a schedule showing total Unit Participation of each Working Interest Owner.

2.1.3 Exhibit "E" attached hereto, is the Accounting Procedure applicable to development and operation of the Unit Area. In the event of conflict between this Agreement and Exhibit "E", this Agreement shall prevail.

2.1.4 Exhibit "F" attached hereto, contains insurance provisions applicable to the development and operation of the Unit Area.

2.2 Revision of Exhibits. Whenever Exhibits "A", "B" and "C" are revised, Exhibit "D" shall be revised accordingly, such revision to be effective as of the effective date of revised Exhibits "A", "B" and "C".

ARTICLE 3

SUPERVISION OF OPERATIONS BY WORKING INTEREST OWNERS

3.1 Overall Supervision. Working Interest Owners shall exercise overall supervision and control of all matters pertaining to the development and operations of the Unit Area pursuant to this Agreement and the Unit Agreement. In the exercise of such power each Working Interest Owner shall act solely in its own behalf in the capacity of an individual owner and not on behalf of the owners as an entirety.

3.2 Particular Powers and Duties. The matters to be passed upon and decided by Working Interest Owners shall include, but not be limited to, the following:

3.2.1 Method of Operation. The kind, character and method of operation, including any type of pressure maintenance or secondary recovery program to be employed.

3.2.2 Drilling of Wells. The drilling of any wells within the Unit Area either for production of Unitized Substances, for use as an injection well, or for other purposes.

3.2.3 Well Workovers and Change of Status. The workover, recompletion, repair, abandonment, or change of status of any well in the Unit Area or use of any such well for injection or other purposes. The Unit Operator shall be responsible for performing such work and such work shall be done at Unit Expense.

3.2.4 Expenditures. Making of any expenditure in excess of Ten Thousand Dollars ($10,000.00); provided that approval by Working Interest Owners of the drilling, reworking, drilling deeper, or plugging back of any well shall include approval of all necessary expenditures required therefor and for completing, testing, and equipping the same, including necessary flow lines, separators and lease

tankage; provided, however, that in case of blow-out, explosion, fire, flood or other sudden emergencies, Unit Operator may take steps and incur such expenses as in its opinion are required to deal with the emergency and to safeguard life or property, but that Unit Operator shall, as promptly as possible, report the emergency to the Working Interest Owners.

3.2.5 Disposition of Surplus Facilities. Selling or otherwise disposing of any major item of surplus material or equipment, the current list price of new equipment similiar thereto being Five Thousand Dollars ($5,000.00) or more.

3.2.6 Appearance Before a Court or Regulatory Body. The designation of a representative to appear before any court or regulatory body in all matters pertaining to Unit operations; provided, however, such designation by Working Interest Owners shall not prevent any Working Interest Owner from appearing in person at its own expense or from designating another representative in its own behalf.

3.2.7 Audits. The making of proper audits of the accounts of Unit Operator pertaining to operations hereunder; provided that such audits shall:

(a) not be conducted more than once each year except upon the resignation or removal of Unit Operator;

(b) be made at the expense of all Working Interest Owners other than the Working Interest Owner designated as Unit Operator, unless such audit is conducted at the specific instance and request of Unit Operator, in which latter event the same shall be made at the expense of all Working Interest Owners including the Working Interest Owner designated as Unit Operator; and

(c) be upon not less than thirty (30) days written notice to Unit Operator.

3.2.8 Inventories. The taking of periodic inventories under the terms of Exhibit "E".

3.2.9 Technical Services. Any direct charges to the joint account for services by consultants or Unit Operator's technical personnel not covered by the overhead charges provided by Exhibit "E".

3.2.10 Appointment of Committees. The appointment of designation of committees or subcommittees necessary for the study of any problem in connection with Unit operations.

3.2.11 The removal of Unit Operator and the selection of a successor in accordance with Article 6.2 hereof.

3.2.12 The enlargement of the Unit Area.

3.2.13 The adjustment and readjustment of investments as required.

3.2.14 The termination of the Unit Agreement.

ARTICLE 4

MANNER OF EXERCISING SUPERVISION

4.1 Designation of Representatives. Each Working Interest Owner shall advise Unit Operator in writing the names and addresses of its representative and alternate representative authorized to represent and bind it in respect to any matter pertaining to the development and operation of the Unit Area. Such representative or alternate representative may be changed from time to time by written notice to Unit Operator.

4.2 Meetings. All meetings of Working Interest Owners for the purpose of considering and acting upon any matter pertaining to the development and operation of the Unit Area shall be called by the Unit Operator upon its own motion or at the request of two (2) or more Working Interest Owners. No meeting shall be called on less than fourteen (14) days' advance written notice, with agenda for the meeting attached. In the absence of protest by any qualified member of the meeting, the Working Interest Owners attending such meeting shall not be prevented from amending items included in the agenda or from deciding on such amended item or from deciding other items presented at such meeting. The representative of Unit Operator shall be chairman of each meeting.

4.3 Voting Procedure. Working Interest Owners shall act upon and determine all matters coming before them as follows:

4.3.1 Voting Interest. In voting on any matter each Working Interest Owner shall have a voting interest equal to its then percentage in Unit Participation, as shown in Exhibit "D", and such revisions thereof as may hereafter be made in accordance with the terms of this Agreement.

4.3.2 Vote Required. Unless otherwise provided herein or in the Unit Agreement, Working Interest Owners shall act upon and determine all matters coming before them by the affirmative vote of seventy-five percent (75%) or more voting interest; provided that, should any one Working Interest Owner own more than twenty-five percent (25%) voting interest, its vote must be supported by the vote of one or more Working Interest Owners having a combined voting interest of at least five percent (5%).

4.3.3 Vote at Meetings by Non-Attending Working Interest Owner. Any Working Interest Owner not represented at a meeting may vote on any item included in the agenda of the meeting by letter or telegram addressed to the chairman of the meeting, provided such vote is received prior to the submission of such item to vote.

4.3.4 Poll Votes. Working Interest Owners may vote on and decide, by letter or telegram, any matter submitted in writing to Working Interest Owners, if no meeting is requested, as provided in Section 4.2, within fourteen (14) days after the proposal is sent to Working Interest Owners. Unit Operator will give prompt notice of the results of such voting to all Working Interest Owners.

ARTICLE 5

INDIVIDUAL RIGHTS AND PRIVILEGES OF WORKING INTEREST OWNERS

5.1 Reservation of Rights. Working Interest Owners severally reserve to themselves all their rights, power, authority and privileges, except as provided expressly in this Agreement and the Unit Agreement.

5.2 Specific Rights. Each Working Interest Owner shall have among others, the following specific rights and privileges:

5.2.1 Access to Unit Area. Access to the Unit Area at all reasonable times to inspect the operation hereunder and all wells and records and data pertaining thereto.

5.2.2 Reports by Request. The right to receive from Unit Operator, upon written request, copies of all reports to any governmental agency, reports of crude oil runs and stocks, inventory reports and all other data not ordinarily furnished by Unit Operator to all Working Interest Owners; the cost of preparing copies of said

reports shall be charged solely to the Working Interest Owner requesting the same.

5.3 Undrilled Locations. Undrilled locations on tracts committed to the Unit Area shall be drilled by the Unit Operator at Unit expense.

ARTICLE 6

UNIT OPERATOR

6.1 Initial Unit Operator. Seely Oil Company, a Texas corporation, is hereby designated as initial Unit Operator.

6.2 Resignation or Removal and Selection of Successor. The resignation or removal of Unit Operator, and the selection of a successor shall be governed by the provisions of the Unit Agreement.

ARTICLE 7

POWERS AND DUTIES OF UNIT OPERATOR

7.1 Exclusive Right to Operate Unit. Subject to the provisions of this Agreement and the orders, directions and limitations rightfully given or imposed by Working Interest Owners, Unit Operator shall have the exclusive right and duty to develop and operate the Unit Area for the production of Unitized Substances.

7.2 Workmanlike Conduct. Unit Operator shall conduct all operations hereunder in a good and workmanlike manner, and, in the absence of specific instructions from Working Interest Owners, shall have the right and duty to conduct such operations in the same manner as would a prudent operator under the same or similar circumstances. Unit Operator shall freely consult with Working Interest Owners and keep them advised of all matters arising in connection with such operations which Unit Operator, in the exercise of its best judgement, considers important. Unit Operator shall not be liable for damages unless such damages result from the gross negligence or willful misconduct of Unit Operator.

7.3 Liens and Encumbrances. Unit Operator shall keep the lands and leases in the Unit Area free from all liens and encumbrances occasioned by its operations hereunder, except the lien of Unit Operator granted hereunder.

7.4 Employees. The number of employees used by Unit Operator in conducting operations hereunder, the selection of such employees, the hours of labor, and the compensation for services to be paid any and all such employees shall be determined by Unit Operator. Such employees shall be the employees of Unit Operator.

7.5 Records. Unit Operator shall keep true and correct books, accounts, and records of its operation hereunder.

7.6 Reports to Working Interest Owners. Unit Operator shall furnish to each Working Interest Owner monthly, injection and production reports for each well in the Unit, as well as periodic reports of the development and operation of the Unit Area.

7.7 Reports to Governmental Authorities. Unit Operator shall make all necessary reports to governmental authorities.

7.8 Engineering and Geological Information. Unit Operator shall furnish to each Working Interest Owner, upon written request, a copy of the log of, and copies of engineering and geological data pertaining to, wells drilled by Unit Operator.

7.9 Expenditures. Unit Operator is authorized to make single expenditures not in excess of Ten Thousand Dollars ($10,000.00) without prior approval of Working Interest Owners; provided, however, that nothing in this Article (nor in Article 3.2.4) shall be deemed to prevent Unit Operator from making an expenditure in excess of said amount if such expenditure becomes necessary because of a sudden emergency which may otherwise cause loss of life, title or extensive damage to property. Unit Operator shall report to Working Interest Owners, as promptly as possible, the nature of the emergency and the action taken.

7.10 Settlements. Unit Operator may settle any single damage claim not involving an expenditure in excess of Five Thousand Dollars ($5,000.00) provided such payment is a complete settlement of such claim. All claims in excess of $5,000.00 must be approved by Working Interest Owners.

7.11 Nondiscrimination. In connection with the performance of work under this Agreement, the Unit Operator agrees to comply with all provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F.R. 12319), which are hereby incorporated by reference in this agreement.

7.12 Mathematical Errors. It is hereby agreed by all parties to this agreement that Unit Operator is empowered to correct any mathematical errors which might exist in the pertinent exhibits to this Agreement upon approval of the Commissioner.

ARTICLE 8

TAXES

8.1 Ad Valorem Taxes. Beginning with the first of the calendar year after the effective date hereof, Unit Operator after consulting

with Working Interest Owners, shall make and file for ad valorem purposes all necessary renditions and returns with the proper taxing authorities or governmental subdivisions covering all property of each Working Interest Owner within the Unit Area and used in connection with the development and operation of the Unit Area. Any Working Interest Owner dissatisfied with any proposed rendition or assessment of its interest in property shall have the right, at its own expense, to protest and resist the same. All such ad valorem taxes due and payable on account of real and personal property of each Working Interest Owner located within the Unit Area and used in connection with Unit operations shall be paid by the Unit Operator for the joint account in the same manner as other costs and expenses of Unit Operations; provided that, if the interest of a Working Interest Owner is subject to a separately assessed overriding royalty interest, production payment, or other interest in excess of a 1/8 royalty, such Working Interest Owner shall be given credit for the reduction in taxes paid resulting therefrom.

8.2 Other Taxes. Each Working Interest Owner shall pay or cause to be paid all production, severance, gathering and other direct taxes and assessments imposed upon or on account of the production or handling of its share of Unitized Substances.

ARTICLE 9

INSURANCE

9.1 Insurance. Unit Operator shall carry, with respect to Unit operations subject to this Agreement:

9.1.1 Insurance as set forth in Exhibit "F".

ARTICLE 10

ADJUSTMENT OF INVESTMENTS

10.1 Personal Property Taken Over. Upon the effective date hereof, Working Interest Owners shall deliver to Unit Operator possession of:

10.1.1 Wells and Casing. All wells drilled through the Unitized Formation and that are completed or that may be completed in the Unitized Formation, together with the casing therein.

10.1.2 Well and Lease Equipment. Unless previously agreed upon, the tubing and rods in each such well, together with the wellhead connection thereon, and all other lease and operating equipment used in the operation

of such wells which Working Interest Owners determine is necessary or desirable for conducting Unit operations, and

10.1.3 Records. A copy of all production and well records pertaining to such wells.

10.2 Inventory and Evaluation of Personal Property. Working Interest Owners shall (at the expense of the joint account, and as of the effective date) inventory all well and lease equipment delivered to the Unit Operator as provided in Article 10.1.1 and 10.1.2, except that casing shall be given no value. The inventory will include all tangible property classified as controllable equipment. For the purpose of inventory and adjustment of investment, sucker rods and tubing under 2 inches in the wells will also be considered as controllable but will not be considered controllable in future accounting. Non-controllable equipment except items listed above will not be included on the inventory but may nevertheless be taken over by the Unit if in use on the property. The distinction between controllable and non-controllable equipment will be based on the latest material classification manual published by the Council of Petroleum Accountants Society of North America. The condition of the equipment will be indicated on the inventory and priced in accordance with the basis prescribed in Section IV of Exhibit "E" attached. The inventory and evaluation will be presented to the Working Interest Owners within ninety (90) days after the taking of the inventory. Upon approval by the Working Interest Owners of the inventory and evaluation of the equipment and personal property, the Unit Operator will furnish each Working Interest Owner a copy thereof showing only those items which it has been decided to retain and the value of each item.

10.3 Investment Adjustment. Upon approval of such inventory and evaluation by Working Interest Owners, each Working Interest Owner shall be credited with the value of its interest in all personal property so taken over by Unit Operator under Article 10.1.2 and charged with an amount equal to that obtained by multiplying the total value of all such personal property so taken over by Unit Operator under Article 10.1.2 by such Working Interest Owner's Unit Participation as shown in Exhibit "D". If the charge against any Working Interest Owner is greater than the amount credited to such Working Interest Owner, the resulting net charge shall be paid and in all other respects be treated as any other item of Unit expense chargeable against such Working Interest Owner. If the credit to any Working Interest Owner is greater than the amount charged against such Working Interest Owner, the resulting net credit shall be paid to such Working Interest Owner by Unit Operator out of funds received by it in settlement of the net charges described above. Pricing of inventory will be in accordance with Section IV of Exhibit "E" hereof.

10.4. General Facilities. The acquisition of warehouse, warehouse stocks, lease houses, camps, facility systems, and office buildings necessary for operations hereunder shall be by negotiation by and between the owners thereof and Unit Operator, subject to the approval of Working Interest Owners.

10.5 Ownership of Personal Property and Facilities. Each Working Interest Owner, individually, shall by virtue hereof own an undivided interest in all personal property and facilities taken over or otherwise acquired by Unit Operator pursuant to this Agreement in an amount equal to its Unit Participation shown on Exhibit "D".

ARTICLE 11

DEVELOPMENT AND OPERATING COSTS

11.1 Basis of Charge to Working Interest Owners. Unit Operator initially shall pay and discharge all costs and expenses incurred in the development and operation of the Unit Area. Working Interest Owners shall reimburse Unit Operator for all such costs and expenses, in proportion to their respective Unit Participation, shown on Exhibit "D". All charges, credits and accounting for costs and expenses shall be in accordance with Exhibit "E".

11.2 Budgets. Before or as soon as practical after the effective date hereof, Unit Operator shall prepare a budget of estimated costs and expenses for the remainder of the calendar year, and on or before the first day of each November thereafter shall prepare a budget of estimated costs and expenses for the ensuing calendar year. Such budgets shall set forth the estimated costs and expenses by quarterly periods. Unless otherwise specified in the budget, it shall be presumed for the purpose of advance billings that the estimated costs and expenses for each month of a quarterly period shall be one-third (1/3) of the estimate for the quarterly period. Budgets so prepared shall be estimates only and shall be subject to adjustment and correction by Working Interest Owners and Unit Operator from time to time wherever it shall appear that an adjustment or correction is proper. A copy of each such budget and adjusted budget shall be promptly furnished each Working Interest Owner.

11.3 Advance Billing. Unit Operator shall have the right at its option to require Working Interest Owners to advance their respective proportion of such costs and expenses by submitting to Working Interest Owners, on or before the 15th day of any month, an itemized estimate of such costs and expenses for the succeeding month with a request for payment in advance. Within fifteen (15) days thereafter, each Working Interest Owner shall pay to Unit Operator its proportionate part of such estimate. Adjustment between estimates and the actual costs shall

be made by Unit Operator at the close of each calendar month, and the accounts of the Working Interest Owner shall be adjusted accordingly.

11.4 Commingling of Funds. No funds received by Unit Operator under this Agreement need be segregated by Unit Operator or maintained by it as a joint fund, but may be commingled with its own funds.

11.5 Lien of Unit Operator. Each Working Interest Owner grants to Unit Operator a lien upon its Oil and Gas Rights in each Tract, its share of Unitized Substances when produced, and its interest in all Unit equipment, as security for payment of its share of Unit expense, together with interest thereon at the rate of ten percent (10%) per annum. Unit Operator shall have the right to bring suit to enforce collection of such indebtedness with or without seeking foreclosure of the lien. In addition, upon default by any Working Interest Owner in payment of its share of Unit expense, Unit Operator shall have the right to collect from the purchaser the proceeds from the sale of such Working Interest Owner's share of Unitized Substances until the amount owed by such Working Interest Owner, plus interest as aforesaid, has been paid. Each purchaser shall be entitled to rely upon Unit Operator's written statement concerning the amount of any default. Oil and Gas Rights, as used herein, means the right to explore, develop and operate lands within the Unit Area for the production of Unitized Substances or to share in the production so obtained or the proceeds hereof.

11.6 Unpaid Unit Expense. If any Working Interest Owner fails to pay its share of Unit expense within sixty (60) days after rendition of a statement therefor by Unit Operator, each Working Interest Owner agrees, upon request by Unit Operator, to pay its proportionate part of the unpaid share of Unit expense of the defaulting Working Interest Owner. The Working Interest Owners that pay the share of Unit expense of a defaulting Working Interest Owner shall be reimbursed by the Unit Operator for the amount so paid, plus any interest collected thereon, upon receipt by Unit Operator of any past due amount collected from the defaulting Working Interest Owner. Any Working Interest Owner so paying a defaulting Working Interest Owner's share of Unit expenses shall be subrogated to the lien and rights herein granted Unit Operator.

11.7 Wells Drilled by Unit Operator. All wells drilled by Unit Operator shall be drilled on a competitive basis at the usual rates prevailing in the area. Unit Operator may employ its own tools and equipment in the drilling of wells, but in such event, the charge therefor shall not exceed the prevailing rate in the area, and such work shall be performed by Unit Operator under the same terms and conditions as customary and usual in the area in contracts of independent contractors doing work of a similar nature.

11.8 Uncommitted Royalty. Should an owner of a Royalty Interest in any Tract fail to become a party to the Unit Agreement, and, as a result thereof, the actual Royalty Interest payments with respect to such Tract are more or less than the Royalty Interest payments computed on the basis of the Unitized Substances that are allocated to such Tract under the Unit Agreement to the extent provided below, the difference shall be borne by or inure to the benefit of Working Interest Owners, in proportion to their respective Unit Participation.

11.8.1 Burden of 1/8th Royalty. The difference to be borne by or inure to the benefit of Working Interest Owners shall not exceed an amount computed on the basis of one-eighth (1/8) of the difference between the Unitized Substances allocated to the Tract and the Unitized Substances produced from the Tract. Such adjustments shall be made by charges and credits to the joint account.

11.8.2 Burden of Excess Royalty and Other Interests. Any uncommitted Royalty Interest in excess of one-eighth (1/8) shall be borne solely by the Working Interest Owner contributing such interest.

ARTICLE 12

OIL IN LEASE TANKAGE ON EFFECTIVE DATE

12.1 Gauge of Merchantable Oil. Unit Operator shall make a proper and timely gauge of all lease and other tanks within the Unit Area in order to ascertain the amount of merchantable oil above the pipe line connection in such tanks as of 7:00 a.m. on the effective date hereof. All such oil which has then been produced legally shall be and remain the property of the Working Interest Owner entitled thereto the same as if the Unit had not been formed; and such Working Interest Owner shall promptly remove said oil from the Unit Area. Any such oil not removed shall be sold by Unit Operator for the account of such Working Interest Owner, subject to the payment of all Royalty to Royalty Owners under the terms and provisions of the Unit Agreement and any applicable lease or leases and other contracts.

ARTICLE 13

OPERATION OF NON-UNITIZED FORMATION

13.1 Right to Operate in Non-Unitized Formations. Any Working Interest Owner now having, or hereafter acquiring, the right to drill for and produce oil, gas or other minerals, other than Unitized Substances, within the Unit Area shall have the full right to do so notwithstanding this Agreement. In exercising said right, however, such Working Interest Owner shall exercise every reasonable precaution to

prevent unreasonable interference with operations hereunder. No Working Interest Owner, other than Unit Operator, shall produce Unitized Substances through any well drilled or operated by it. If any such other Working Interest Owner drills any well into or through the Unitized Formation, the Unitized Formation shall be cased or otherwise protected in such a manner that the Unitized Formation and the production of Unitized Substances will not be adversely affected. No dual completions in the Unitized Formation and some other formation shall be permitted.

ARTICLE 14

TITLES

14.1 Warranty and Indemnity. Each Working Interest Owner represents and warrants that it is the owner of the respective Working Interest set forth opposite its name in Exhibit "B" of the Unit Agreement and hereby agrees to indemnify and hold harmless the other Working Interest Owners from any loss and liability for damages due to failure (in whole or in part) of its title to any such interests, except failure of title arising out of operations hereunder; provided that such warranty and indemnity shall be limited to an amount equal to the net value that has been received from the sale of Unitized Substances attributed to the interest as to which title failed. In the event of such failure, the interest of the parties hereto shall be revised to reflect the true Unit participation. Each failure of title shall be effective, insofar as this Agreement is concerned, as of 7:00 a.m. on the first day after such title failure is determined and there shall be no retroactive adjustment of development and operating expenses, Unitized Substances or the proceeds therefrom, as a result of title failure.

14.2 Failure Because of Unit Operations. The failure of title to any Working Interest in any Tract by reason of Unit operations, including non-production from such Tract, shall not change the Unit Participation of the Working Interest Owner whose title failed, in relation to the Unit Participation of the other Working Interest Owners at the time of the title failure.

ARTICLE 15

LIABILITY, CLAIMS AND SUITS

15.1 Individual Liability. The duties, obligations, and liabilities of Working Interest Owners shall be several and not joint or collective; and nothing contained herein shall ever be construed as creating a partnership of any kind, joint venture, or an association or trust between or among Working Interest Owners.

15.2 Settlements. In the event claim is made against a Working Interest Owner, or any Working Interest Owner is sued on account of any matter or thing arising from the development and operation of the Unit Area, and over which such Working Interest Owner individually has no control because of the rights, powers and duties granted by this Agreement and the Unit Agreement, said Working Interest Owner shall immediately notify the Unit Operator of such claim or suit. Unit Operator shall assume and take over the further handling of such claim or suit and all costs and expenses of handling, settling or otherwise discharging such claim or suit shall be borne by Working Interest Owners as any other cost or expense of operating the Unit Area. Unit Operator may settle any single damage claim or suit involving Unit operations but not involving an expenditure of more than Five Thousand Dollars ($5,000.00), provided the payment is in complete settlement of such claim or suit.

ARTICLE 16

INTERNAL REVENUE PROVISION

16.1 Internal Revenue Provision. Each party hereto hereby irrevocably elects that it and the operations covered by this Agreement be excluded from the application of Subchapter K of Chapter 1 of Subtitle A of the Internal Revenue Code of 1954 as permitted and authorized by Section 761 of said Code and the regulations promulgated thereunder. Unit Operator is hereby irrevocably authorized and directed to execute on behalf of each party hereto such additional or further evidence of said election as may be required by the Secretary of the Treasury of the United States or the Federal Internal Revenue Service and regulations issued under said Subchapter K, including all of the returns, statements and data required, and Unit Operator shall furnish each party hereto a copy thereof. Should said regulations require each party to execute such further evidence, each party hereto irrevocably agrees to execute or join in the execution thereof. Each party hereto irrevocably agrees not to give any notices or take any action inconsistent with the elections hereby made and each hereby states that the income derived by it from the operations under this Agreement can be adequately determined without the computation of partnership taxable income.

ARTICLE 17

NOTICES

17.1 Notices. All notices required hereunder shall be in writing and shall be deemed to have been properly served when sent by mail or telegram to the address of the representative of each Working Interest Owner as furnished to Unit Operator in accordance with Article 4 hereof.

ARTICLE 18

WITHDRAWAL OF WORKING INTEREST OWNER AND CREATION OF NEW INTEREST

18.1 Withdrawal. If any Working Interest Owner so desires, it may withdraw from this Agreement by conveying, assigning and transferring, without warranty of title (either expressed or implied) to the other Working Interest Owners who do not desire to withdraw herefrom, all of the former's rights, title and interest in and to its lease or leases, or other operating rights in the Unit Area, insofar as said lease, leases or rights pertain to the Unitized Formation, together with the withdrawing Working Interest Owner's interest in all wells, pipe lines, casing, injection equipment facilities and other personal property used in conjunction with the development and operation of the Unit Area; provided, that such transfer, assignment or conveyance shall not relieve said Working Interest Owner from any obligation or liability incurred prior to the date of the execution and delivery thereof. The interest so transferred, assigned and conveyed shall be taken and owned by the other Working Interest Owners in proportion to their respective Unit Participations, and the Unit Operator shall recompute the percentage of participation to include this change and furnish the remaining Working Interest Owners with a corrected interest sheet. After the execution and delivery of such transfer, assignment or conveyance, the withdrawing Working Interest Owner shall be relieved from all further obligations and liability hereunder and under said Unit Agreement; and the right of such Working Interest Owner to any benefits subsequently accruing hereunder and under said Unit Agreement shall cease; provided, that upon delivery of said transfer, assignment or conveyance, the assignees, in the ratio of the respective interests so acquired, shall pay to the assignor for its interest in all jointly-owned equipment, casing and other personal property, the fair salvage value thereof, as estimated and fixed by the remaining Working Interest Owners.

18.2 Creation of a New Interest. If any Working Interest Owner shall, after executing this Agreement, create any overriding royalty, production payment or other similar interest, hereafter referred to as "New Interest", out of its interest subject to this Agreement, such new interest shall be subject to all the terms and provisions of this Agreement and the Unit Agreement.

ARTICLE 19

ABANDONMENT OF WELLS

19.1 Rights of Former Owners. If Working Interest Owners decide to permanently abandon any well within the Unit Area prior to termination of the Unit Agreement, Unit Operator shall give written notice of such fact to the former Working Interest Owner of the Tract on which such well is located, together with the amount (as estimated and fixed

by the Working Interest Owners) to be the net salvage value of the equipment in and on said well contributed by Working Interest Owners under Article 10.1.1. Said former Working Interest Owner shall have the right and option for a period of ninety (90) days after receipt of such notice to notify Unit Operator of its election to take over and own said well and to deepen or plug back said well to a formation other than the Unitized Formation. Within ten (10) days after said former Working Interest Owner of the Tract has so notified Unit Operator of its desire to take over such well, it shall pay to Unit Operator, for credit to the joint account of the Working Interest Owners, the amount of the net salvage value above described. At the same time the former Working Interest Owner taking over the well shall agree, by letter addressed to Unit Operator, to effectively seal off and protect the Unitized Formation and (at such time as well is ready for abandonment) to plug and abandon well in a workmanlike manner in accordance with applicable laws and regulations.

19.2 Plugging. In the event the former Working Interest Owner of a Tract does not elect to take over a well located thereon which is proposed for abandonment, Unit Operator shall plug and abandon the well in accordance with applicable laws and regulations.

ARTICLE 20

EFFECTIVE DATE AND TERM

20.1 Effective Date. This Agreement shall become effective on the date and at the time the Unit Agreement becomes effective.

20.2 Term. This Agreement shall continue in full force and effect so long as the Unit Agreement remains in force and effect and thereafter until all Unit wells have been plugged and abandoned or turned over to Working Interest Owners in accordance with Article 21 hereof, and all personal and real property acquired for the joint account of Working Interest Owners has been disposed of by Unit Operator in accordance with instructions of Working Interest Owners and there shall have been a final accounting.

ARTICLE 21

TERMINATION OF UNIT AGREEMENT

21.1 Termination. Upon termination of the Unit Agreement the following shall occur:

21.1.1 Oil and Gas Rights. Possession of all oil and gas rights in and to the several separate tracts shall revert to the Working Interest owners thereof.

21.1.2 Right to Operate. Working Interest Owners of any such Tract desiring to take over and continue to operate a well or wells located thereon may do so by paying Unit Operator, for the credit of the joint account, the net salvage value of the equipment in and on the well, contributed by such Working Interest Owners under Article 10.1.1 and agreeing in writing to properly plug the well at such time as it is abandoned.

21.1.3 Salvaging Wells. With respect to all wells not taken over by the Working Interest Owners, Unit Operator shall, at the joint expense of Working Interest Owners, salvage as much of the casing and equipment in or on such wells as can economically and reasonably be salvaged, and shall cause such wells to be properly plugged and abandoned.

21.1.4 Cost of Salvaging. Working Interest Owners shall share the cost of salvaging, liquidation or other distribution of assets and properties used in the development and operation of the Unit Area in proportion to their respective Unit Participation, as shown on Exhibit "D".

ARTICLE 22

COUNTERPART EXECUTION

22.1 Execution by Separate Counterparts or Ratifications. This agreement may be executed in any number of counterparts and each counterpart so executed shall have the same force and effect as an original instrument and as if all of the parties to the aggregate counterparts had signed the same instrument; or may be ratified by a separate instrument in writing referring to this Agreement. Each such ratification shall have the force and effect of an executed counterpart and of adopting by reference all of the provisions hereof.

ARTICLE 23

SUCCESSORS AND ASSIGNS

23.1 Successors and Assigns. The terms and provisions hereof shall be covenants running with the lands and unitized leases covered hereby and shall be binding upon and inure to the benefit of the respective heirs, successors and assigns of the parties hereto.

No party hereto shall assign or convey less than his entire interest in any Tract committed hereto unless such leased interest,

if any, is an undivided interest in such entire tract; and should any interest committed hereto be or become owned by three (3) or more parties, then all of such parties shall be obligated to appoint a single agent to represent such interest for the purpose of accepting billings and receiving payments, if any, arising hereunder, or under the Unit Agreement, and for voting upon any matter which is the subject of determination by the Working Interest Owners.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement upon the respective dates indicated opposite their respective signatures.

SEELY OIL COMPANY

By _____
C. W. Seely

Its President

UNIT OPERATOR AND WORKING INTEREST OWNER

STATE OF TEXAS)
COUNTY OF TARRANT)

This instrument was acknowledged before me on this 1st day of December, 1992, by C. W. Seely, President of SEELY OIL COMPANY, a Texas corporation, on behalf of said corporation.

_____
Notary Public in and for the State of Texas

My Commission Expires:

5/31/93

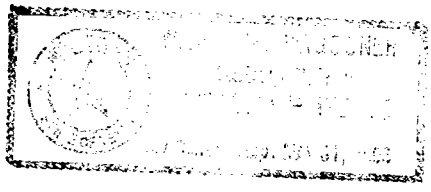

EXHIBIT "D" TO
UNIT OPERATING AGREEMENT
CENTRAL EK QUEEN UNIT

SUMMARY OF OWNERSHIP BY WORKING INTEREST OWNERS

J. Cleo Thompson and James Cleo Thompson, Jr. a partnership	
Tract 1	4.370790
Tract 2	4.276497
Tract 3	0.073030
Tract 6	0.329082
Tract 7	0.279458
Tract 8	0.877403
Tract 9	1.569841
Tract 10	0.080251
Tract 11	2.020694
Tract 14	1.622231
Tract 15	3.573835
Tract 16	0.629919
Total J. Cleo Thompson and James Cleo Thompson, Jr. a partnership	19.703031

Patricia Dean Boswell, Trustee under Revocable Trust Agreement dated 6/13/88	
Tract 1	1.398127
Tract 2	1.367965
Tract 3	0.023361
Tract 6	0.105267
Tract 7	0.089393
Tract 8	0.280663
Tract 9	0.502901
Tract 10	0.025671
Tract 11	0.646502
Tract 14	0.518905
Tract 15	1.143198
Tract 16	0.201498
Total Patricia Dean Boswell, Trustee under Revocable Trust Agreement dated 6/13/88	6.303451

EXHIBIT "D" TO
UNIT OPERATING AGREEMENT
CENTRAL EK QUEEN UNIT

SUMMARY OF OWNERSHIP BY WORKING INTEREST OWNERS

John P. Oil Company	
Tract 1	0.523594
Tract 2	0.512298
Tract 3	0.008748
Tract 6	0.039422
Tract 7	0.033478
Tract 8	0.105108
Tract 9	0.188341
Tract 10	0.009613
Tract 11	0.242563
Tract 14	0.194310
Tract 15	0.428124
Tract 16	0.075460
Total John P. Oil Company	2.361059
C.E.B. Oil Company	
Tract 1	0.523594
Tract 2	0.512298
Tract 3	0.008748
Tract 6	0.039422
Tract 7	0.033477
Tract 8	0.105108
Tract 9	0.188341
Tract 10	0.009613
Tract 11	0.242563
Tract 14	0.194310
Tract 15	0.428124
Tract 16	0.075460
Total C.E.B. Oil Company	2.361058

EXHIBIT "D" TO
UNIT OPERATING AGREEMENT
CENTRAL EK QUEEN UNIT

SUMMARY OF OWNERSHIP BY WORKING INTEREST OWNERS

E.A.B. Oil Company	
Tract 1	0.525471
Tract 2	0.514135
Tract 3	0.008780
Tract 6	0.039563
Tract 7	0.033597
Tract 8	0.105484
Tract 9	0.188341
Tract 10	0.009613
Tract 11	0.242563
Tract 14	0.195055
Tract 15	0.429658
Tract 16	0.075731
Total E.A.B. Oil Company	2.367991
P.V.B. Oil Company	
Tract 1	0.525471
Tract 2	0.514134
Tract 3	0.008780
Tract 6	0.039563
Tract 7	0.033597
Tract 8	0.105484
Tract 9	0.188341
Tract 10	0.009613
Tract 11	0.242563
Tract 14	0.195055
Tract 15	0.429658
Tract 16	0.075731
Total P.V.B. Oil Company	2.367990

EXHIBIT "D" TO
UNIT OPERATING AGREEMENT
CENTRAL EK QUEEN UNIT

SUMMARY OF OWNERSHIP BY WORKING INTEREST OWNERS

Houston Hill and Emma Hill Trust Estate	
Tract 1	1.747941
Tract 2	1.710231
Tract 3	0.029206
Tract 6	0.131605
Tract 7	0.111759
Tract 8	0.350886
Tract 9	0.628134
Tract 10	0.032114
Tract 11	0.808278
Tract 14	0.648744
Tract 15	1.429227
Tract 16	0.251914
Total Houston Hill and Emma Hill Trust Estate	7.880039
Express Air Drilling, Inc.	
Tract 1	1.092228
Tract 2	1.068665
Tract 3	0.018250
Tract 6	0.082235
Tract 7	0.069835
Tract 8	0.219257
Tract 9	0.392460
Tract 10	0.020063
Tract 11	0.505174
Tract 14	0.405744
Tract 15	0.893075
Tract 16	0.157412
Total Express Air Drilling, Inc.	4.924398

EXHIBIT "D" TO
UNIT OPERATING AGREEMENT
CENTRAL EK QUEEN UNIT

SUMMARY OF OWNERSHIP BY WORKING INTEREST OWNERS

Wes-Tex Drilling Company	
Tract 1	1.092228
Tract 2	1.068665
Tract 3	0.018249
Tract 6	0.082235
Tract 7	0.069835
Tract 8	0.219257
Tract 9	0.392460
Tract 10	0.020063
Tract 11	0.505174
Tract 14	0.405744
Tract 15	0.893075
Tract 16	0.157412
Total Wes-Tex Drilling Company	4.924397
Northbrook Business Center	
Tract 1	1.092228
Tract 2	1.068665
Tract 3	0.018250
Tract 6	0.082235
Tract 7	0.069835
Tract 8	0.219257
Tract 9	0.392460
Tract 10	0.020063
Tract 11	0.505174
Tract 14	0.405744
Tract 15	0.893075
Tract 16	0.157412
Total Northbrook Business Center	4.924398

EXHIBIT "D" TO
UNIT OPERATING AGREEMENT
CENTRAL EK QUEEN UNIT

SUMMARY OF OWNERSHIP BY WORKING INTEREST OWNERS

Burnett Oil Company	
Tract 1	1.747940
Tract 2	1.710231
Tract 3	0.029206
Tract 6	0.131605
Tract 7	0.111759
Tract 8	0.350886
Tract 9	0.628134
Tract 10	0.032114
Tract 11	0.808278
Tract 14	0.648743
Tract 15	1.429227
Tract 16	0.251913
Total Burnett Oil Company	7.880036
Merlyn W. Dahlin	
Tract 1	0.349063
Tract 2	0.341532
Tract 3	0.005832
Tract 6	0.026281
Tract 7	0.022318
Tract 8	0.070072
Tract 9	0.125232
Tract 10	0.006409
Tract 11	0.161375
Tract 14	0.129540
Tract 15	0.285416
Tract 16	0.050307
Total Merlyn W. Dahlin	1.573377

EXHIBIT "D" TO
UNIT OPERATING AGREEMENT
CENTRAL EK QUEEN UNIT

SUMMARY OF OWNERSHIP BY WORKING INTEREST OWNERS

Charles P. Davis	
Tract 1	0.349063
Tract 2	0.341532
Tract 3	0.005832
Tract 6	0.026282
Tract 7	0.022318
Tract 8	0.070072
Tract 9	0.125232
Tract 10	0.006409
Tract 11	0.161375
Tract 14	0.129540
Tract 15	0.285416
Tract 16	0.050307
Total Charles P. Davis	1.573378
David L. Henderson	
Tract 1	0.174719
Tract 2	0.170950
Tract 3	0.002919
Tract 6	0.013155
Tract 7	0.011171
Tract 8	0.035073
Tract 9	0.062912
Tract 10	0.003208
Tract 11	0.080788
Tract 14	0.064845
Tract 15	0.142861
Tract 16	0.025181
Total David Henderson	0.787782

EXHIBIT "D" TO
UNIT OPERATING AGREEMENT
CENTRAL EK QUEEN UNIT

SUMMARY OF OWNERSHIP BY WORKING INTEREST OWNERS

Michael J. Havel	
Tract 1	0.174719
Tract 2	0.170950
Tract 3	0.002919
Tract 6	0.013155
Tract 7	0.011171
Tract 8	0.035073
Tract 9	0.063011
Tract 10	0.003208
Tract 11	0.080788
Tract 14	0.064845
Tract 15	0.142861
Tract 16	0.025181
Total Michael J. Havel	0.787881
C. W. Stumhoffer and Frieda T. Stumhoffer	
Tract 1	1.287403
Tract 2	1.259629
Tract 3	0.021511
Tract 6	0.096930
Tract 7	0.082314
Tract 8	0.258436
Tract 9	0.676451
Tract 10	0.027308
Tract 11	0.687597
Tract 14	0.510716
Tract 15	1.052663
Tract 16	0.185541
Total C. W. Stumhoffer and Frieda T. Stumhoffer	6.146499

EXHIBIT "D" TO
UNIT OPERATING AGREEMENT
CENTRAL EK QUEEN UNIT

SUMMARY OF OWNERSHIP BY WORKING INTEREST OWNERS

C. W. Seely	
Tract 1	1.792230
Tract 2	1.753566
Tract 3	0.029946
Tract 6	0.134939
Tract 7	0.114591
Tract 8	0.359777
Tract 9	0.643911
Tract 10	0.032978
Tract 11	0.828926
Tract 14	0.664080
Tract 15	1.465441
Tract 16	0.258297
Total C. W. Seely	8.078682
Frances Buckler	
Tract 9	0.431410
Tract 14	0.223345
Total Frances Buckler	0.654755
Roger W. Moore	
Tract 9	0.431410
Tract 14	0.223345
Total Roger W. Moore	0.654755
J. C. Maddux	
Tract 9	0.269595
Total J. C. Maddux	0.269595

EXHIBIT "D" TO
UNIT OPERATING AGREEMENT
CENTRAL EK QUEEN UNIT

SUMMARY OF OWNERSHIP BY WORKING INTEREST OWNERS

Thomas J. Maddux	
Tract 9	0.539288
Total Thomas J. Maddux	0.539288
Santa Fe Exploration Co.	
Tract 9	0.770376
Tract 11	1.252911
Total Santa Fe Exploration Co.	2.023287
Armstrong Energy Corp.	
Tract 9	0.184891
Total Armstrong Energy Corp.	0.184891
Judy Harris	
Tract 9	0.138668
Total Judy Harris	0.138668
Laurelind Corp.	
Tract 9	0.138668
Total Laurelind Corp.	0.138668
Ray Westall	
Tract 5	5.263377
Total Ray Westall	5.263377

EXHIBIT "D" TO
UNIT OPERATING AGREEMENT
CENTRAL EK QUEEN UNIT

SUMMARY OF OWNERSHIP BY WORKING INTEREST OWNERS

Marathon Oil Company	
Tract 4	2.439147
Total Marathon Oil Company	2.439147
Oxy USA, Inc.	
Tract 12	0.296064
Tract 13	2.039839
Total Oxy USA, Inc.	2.335903
Pogo Producing Company	
Tract 12	0.052247
Tract 13	0.359975
Total Pogo Producing Company	0.412219
UNIT TOTAL	100.000000

EXHIBIT " E "

Attached to and made a part of Unit Operating Agreement dated December 1, 1992, covering the Central EK Queen Unit, Lea County, New Mexico

ACCOUNTING PROCEDURE
JOINT OPERATIONS

I. GENERAL PROVISIONS

1. Definitions

"Joint Property" shall mean the real and personal property subject to the agreement to which this Accounting Procedure is attached.
"Joint Operations" shall mean all operations necessary or proper for the development, operation, protection and maintenance of the Joint Property.
"Joint Account" shall mean the account showing the charges paid and credits received in the conduct of the Joint Operations and which are to be shared by the Parties.
"Operator" shall mean the party designated to conduct the Joint Operations.
"Non-Operators" shall mean the Parties to this agreement other than the Operator.
"Parties" shall mean Operator and Non-Operators.
"First Level Supervisors" shall mean those employees whose primary function in Joint Operations is the direct supervision of other employees and/or contract labor directly employed on the Joint Property in a field operating capacity.
"Technical Employees" shall mean those employees having special and specific engineering, geological or other professional skills, and whose primary function in Joint Operations is the handling of specific operating conditions and problems for the benefit of the Joint Property.
"Personal Expenses" shall mean travel and other reasonable reimbursable expenses of Operator's employees.
"Material" shall mean personal property, equipment or supplies acquired or held for use on the Joint Property.
"Controllable Material" shall mean Material which at the time is so classified in the Material Classification Manual as most recently recommended by the Council of Petroleum Accountants Societies.

2. Statement and Billings

Operator shall bill Non-Operators on or before the last day of each month for their proportionate share of the Joint Account for the preceding month. Such bills will be accompanied by statements which identify the authority for expenditure, lease or facility, and all charges and credits summarized by appropriate classifications of investment and expense except that items of Controllable Material and unusual charges and credits shall be separately identified and fully described in detail.

3. Advances and Payments by Non-Operators

A. Unless otherwise provided for in the agreement, the Operator may require the Non-Operators to advance their share of estimated cash outlay for the succeeding month's operation within fifteen (15) days after receipt of the billing or by the first day of the month for which the advance is required, whichever is later. Operator shall adjust each monthly billing to reflect advances received from the Non-Operators.

B. Each Non-Operator shall pay its proportion of all bills within fifteen (15) days after receipt. If payment is not made within such time, the unpaid balance shall bear interest monthly at the prime rate in effect at Overton Park Bank, Fort Worth, Texas, on the first day of the month in which delinquency occurs plus 1% or the maximum contract rate permitted by the applicable usury laws in the state in which the Joint Property is located, whichever is the lesser, plus attorney's fees, court costs, and other costs in connection with the collection of unpaid amounts.

4. Adjustments

Payment of any such bills shall not prejudice the right of any Non-Operator to protest or question the correctness thereof; provided, however, all bills and statements rendered to Non-Operators by Operator during any calendar year shall conclusively be presumed to be true and correct after twenty-four (24) months following the end of any such calendar year, unless within the said twenty-four (24) month perioc a Non-Operator takes written exception thereto and makes claim on Operator for adjustment. No adjustment favorable to Operator shall be made unless it is made within the same prescribed period. The provisions of this paragraph shall not prevent adjustments resulting from a physical inventory of Controllable Material as provided for in Section V.

5. Audits

A. A Non-Operator, upon notice in writing to Operator and all other Non-Operators, shall have the right to audit Operator's accounts and records relating to the Joint Account for any calendar year within the twenty-four (24) month period following the end of such calendar year; provided, however, the making of an audit shall not extend the time for the taking of written exception to and the adjustments of accounts as provided for in Paragraph 4 of this Section I. Where there are two or more Non-Operators, the Non-Operators shall make every reasonable effort to conduct a joint audit in a manner which will result in a minimum of inconvenience to the Operator. Operator shall bear no portion of the Non-Operators' audit cost incurred under this paragraph unless agreed to by the Operator. The audits shall not be conducted more than once each year without prior approval of Operator, except upon the resignation or removal of the Operator, and shall be made at the expense of those Non-Operators approving such audit.

B. The Operator shall reply in writing to an audit report within 180 days after receipt of such report.

6. Approval By Non-Operators

Where an approval or other agreement of the Parties or Non-Operators is expressly required under other sections of this Accounting Procedure and if the agreement to which this Accounting Procedure is attached contains no contrary provisions in regard thereto, Operator shall notify all Non-Operators of the Operator's proposal, and the agreement or approval of a majority in interest of the Non-Operators shall be controlling on all Non-Operators.

II. DIRECT CHARGES

Operator shall charge the Joint Account with the following items:

1. Ecological and Environmental

Costs incurred for the benefit of the Joint Property as a result of governmental or regulatory requirements to satisfy environmental considerations applicable to the Joint Operations. Such costs may include surveys of an ecological or archaeological nature and pollution control procedures as required by applicable laws and regulations.

2. Rentals and Royalties

Lease rentals and royalties paid by Operator for the Joint Operations.

3. Labor

A. (1) Salaries and wages of Operator's field employees directly employed on the Joint Property in the conduct of Joint Operations.

(2) Salaries of First Level Supervisors in the field.

(3) Salaries and wages of Technical Employees directly employed on the Joint Property if such charges are excluded from the overhead rates.

(4) Salaries and wages of Technical Employees either temporarily or permanently assigned to and directly employed in the operation of the Joint Property if such charges are excluded from the overhead rates.

B. Operator's cost of holiday, vacation, sickness and disability benefits and other customary allowances paid to employees whose salaries and wages are chargeable to the Joint Account under Paragraph 3A of this Section II. Such costs under this Paragraph 3B may be charged on a "when and as paid basis" or by "percentage assessment" on the amount of salaries and wages chargeable to the Joint Account under Paragraph 3A of this Section II. If percentage assessment is used, the rate shall be based on the Operator's cost experience.

C. Expenditures or contributions made pursuant to assessments imposed by governmental authority which are applicable to Operator's costs chargeable to the Joint Account under Paragraphs 3A and 3B of this Section II.

D. Personal Expenses of those employees whose salaries and wages are chargeable to the Joint Account under Paragraph 3A of this Section II.

4. Employee Benefits

Operator's current costs of established plans for employees' group life insurance, hospitalization, pension, retirement, stock purchase, thrift, bonus, and other benefit plans of a like nature, applicable to Operator's labor cost chargeable to the Joint Account under Paragraphs 3A and 3B of this Section II shall be Operator's actual cost not to exceed the percent most recently recommended by the Council of Petroleum Accountants Societies.

5. Material

Material purchased or furnished by Operator for use on the Joint Property as provided under Section IV. Only such Material shall be purchased for or transferred to the Joint Property as may be required for immediate use and is reasonably practical and consistent with efficient and economical operations. The accumulation of surplus stocks shall be avoided.

6. Transportation

Transportation of employees and Material necessary for the Joint Operations but subject to the following limitations:

A. If Material is moved to the Joint Property from the Operator's warehouse or other properties, no charge shall be made to the Joint Account for a distance greater than the distance from the nearest reliable supply store where like material is normally available or railway receiving point nearest the Joint Property unless agreed to by the Parties.

B. If surplus Material is moved to Operator's warehouse or other storage point, no charge shall be made to the Joint Account for a distance greater than the distance to the nearest reliable supply store where like material is normally available, or railway receiving point nearest the Joint Property unless agreed to by the Parties. No charge shall be made to the Joint Account for moving Material to other properties belonging to Operator, unless agreed to by the Parties.

C. In the application of subparagraphs A and B above, the option to equalize or charge actual trucking cost is available when the actual charge is $400 or less excluding accessorial charges. The $400 will be adjusted to the amount most recently recommended by the Council of Petroleum Accountants Societies.

7. Services

The cost of contract services, equipment and utilities provided by outside sources, except services excluded by Paragraph 10 of Section II and Paragraph i, ii, and iii, of Section III. The cost of professional consultant services and contract services of technical personnel directly engaged on the Joint Property if such charges are excluded from the overhead rates. The cost of professional consultant services or contract services of technical personnel not directly engaged on the Joint Property shall not be charged to the Joint Account unless previously agreed to by the Parties.

8. Equipment and Facilities Furnished By Operator

A. Operator shall charge the Joint Account for use of Operator owned equipment and facilities at rates commensurate with costs of ownership and operation. Such rates shall include costs of maintenance, repairs, other operating expense, insurance, taxes, depreciation, and interest on gross investment less accumulated depreciation not to exceed _____ percent (_____ %) per annum. Such rates shall not exceed average commercial rates currently prevailing in the immediate area of the Joint Property.

B. In lieu of charges in paragraph 8A above, Operator may elect to use average commercial rates prevailing in the immediate area of the Joint Property less 20%. For automotive equipment, Operator may elect to use rates published by the Petroleum Motor Transport Association.

9. Damages and Losses to Joint Property

All costs or expenses necessary for the repair or replacement of Joint Property made necessary because of damages or losses incurred by fire, flood, storm, theft, accident, or other cause, except those resulting from Operator's gross negligence or willful misconduct. Operator shall furnish Non-Operator written notice of damages or losses incurred as soon as practicable after a report thereof has been received by Operator.

10. Legal Expense

Expense of handling, investigating and settling litigation or claims, discharging of liens, payment of judgements and amounts paid for settlement of claims incurred in or resulting from operations under the agreement or necessary to protect or recover the Joint Property, except that no charge for services of Operator's legal staff or fees or expense of outside attorneys shall be made unless previously agreed to by the Parties. All other legal expense is considered to be covered by the overhead provisions of Section III unless otherwise agreed to by the Parties, except as provided in Section I, Paragraph 3.

11. Taxes

All taxes of every kind and nature assessed or levied upon or in connection with the Joint Property, the operation thereof, or the production therefrom, and which taxes have been paid by the Operator for the benefit of the Parties. If the ad valorem taxes are based in whole or in part upon separate valuations of each party's working interest, then notwithstanding anything to the contrary herein, charges to the Joint Account shall be made and paid by the Parties hereto in accordance with the tax value generated by each party's working interest.

12. Insurance

Net premiums paid for insurance required to be carried for the Joint Operations for the protection of the Parties. In the event Joint Operations are conducted in a state in which Operator may act as self-insurer for Worker's Compensation and/or Employers Liability under the respective state's laws, Operator may, at its election, include the risk under its self-insurance program and in that event, Operator shall include a charge at Operator's cost not to exceed manual rates.

13. Abandonment and Reclamation

Costs incurred for abandonment of the Joint Property, including costs required by governmental or other regulatory authority.

14. Communications

Cost of acquiring, leasing, installing, operating, repairing and maintaining communication systems, including radio and microwave facilities directly serving the Joint Property. In the event communication facilities/systems serving the Joint Property are Operator owned, charges to the Joint Account shall be made as provided in Paragraph 8 of this Section II.

15. Other Expenditures

Any other expenditure not covered or dealt with in the foregoing provisions of this Section II, or in Section III and which is of direct benefit to the Joint Property and is incurred by the Operator in the necessary and proper conduct of the Joint Operations.

III. OVERHEAD

1. Overhead - Drilling and Producing Operations

i. As compensation for administrative, supervision, office services and warehousing costs, Operator shall charge drilling and producing operations on either:

(X) Fixed Rate Basis, Paragraph 1A, or
( ) Percentage Basis, Paragraph 1B

Unless otherwise agreed to by the Parties, such charge shall be in lieu of costs and expenses of all offices and salaries or wages plus applicable burdens and expenses of all personnel, except those directly chargeable under Paragraph 3A., Section II. The cost and expense of services from outside sources in connection with matters of taxation, traffic, accounting or matters before or involving governmental agencies shall be considered as included in the overhead rates provided for in the above selected Paragraph of this Section III unless such cost and expense are agreed to by the Parties as a direct charge to the Joint Account.

ii. The salaries, wages and Personal Expenses of Technical Employees and/or the cost of professional consultant services and contract services of technical personnel directly employed on the Joint Property:

( ) shall be covered by the overhead rates, or
(X) shall not be covered by the overhead rates.

iii. The salaries, wages and Personal Expenses of Technical Employees and/or costs of professional consultant services and contract services of technical personnel either temporarily or permanently assigned to and directly employed in the operation of the Joint Property:

( ) shall be covered by the overhead rates, or
(X) shall not be covered by the overhead rates. An operator fee of $250.00 per day shall apply adjusted annually per paragraph 3 below

A. Overhead - Fixed Rate Basis

(1) Operator shall charge the Joint Account at the following rates per well per month:

Drilling Well Rate $ 3,500.00 (one month minimum)
(Prorated for less than a full month)

Producing Well Rate $ 250.00 (for producing and water injection wells)

(2) Application of Overhead - Fixed Rate Basis shall be as follows:

(a) Drilling Well Rate

(1) Charges for drilling wells shall begin on the date the well is spudded and terminate on the date the drilling rig, completion rig, or other units used in completion of the well is released, whichever

is later, except that no charge shall be made during suspension of drilling or completion operations for fifteen (15) or more consecutive calendar days.

(2) Charges for wells undergoing any type of workover or recompletion for a period of five (5) consecutive work days or more shall be made at the drilling well rate. Such charges shall be applied for the period from date workover operations, with rig or other units used in workover, commence through date of rig or other unit release, except that no charge shall be made during suspension of operations for fifteen (15) or more consecutive calendar days.

(b) Producing Well Rates

(1) An active well either produced or injected into for any portion of the month shall be considered as a one-well charge for the entire month.

(2) Each active completion in a multi-completed well in which production is not commingled down hole shall be considered as a one-well charge providing each completion is considered a separate well by the governing regulatory authority.

(3) An inactive gas well shut in because of overproduction or failure of purchaser to take the production shall be considered as a one-well charge providing the gas well is directly connected to a permanent sales outlet.

(4) A one-well charge shall be made for the month in which plugging and abandonment operations are completed on any well. This one-well charge shall be made whether or not the well has produced except when drilling well rate applies.

(5) All other inactive wells (including but not limited to inactive wells covered by unit allowable, lease allowable, transferred allowable, etc.) shall not qualify for an overhead charge.

(3) The well rates shall be adjusted as of the first day of April each year following the effective date of the agreement to which this Accounting Procedure is attached. The adjustment shall be computed by multiplying the rate currently in use by the percentage increase or decrease in the average weekly earnings of Crude Petroleum and Gas Production Workers for the last calendar year compared to the calendar year preceding as shown by the index of average weekly earnings of Crude Petroleum and Gas Production Workers as published by the United States Department of Labor, Bureau of Labor Statistics, or the equivalent Canadian index as published by Statistics Canada, as applicable. The adjusted rates shall be the rates currently in use, plus or minus the computed adjustment.

B. Overhead - Percentage Basis

(1) Operator shall charge the Joint Account at the following rates:

(a) Development

_____ Percent (____ %) of the cost of development of the Joint Property exclusive of costs provided under Paragraph 10 of Section II and all salvage credits.

(b) Operating

_____ Percent (____ %) of the cost of operating the Joint Property exclusive of costs provided under Paragraphs 2 and 10 of Section II, all salvage credits, the value of injected substances purchased for secondary recovery and all taxes and assessments which are levied, assessed and paid upon the mineral interest in and to the Joint Property.

(2) Application of Overhead - Percentage Basis shall be as follows:

For the purpose of determining charges on a percentage basis under Paragraph 1B of this Section III, development shall include all costs in connection with drilling, redrilling, deepening, or any remedial operations on any or all wells involving the use of drilling rig and crew capable of drilling to the producing interval on the Joint Property; also, preliminary expenditures necessary in preparation for drilling and expenditures incurred in abandoning when the well is not completed as a producer, and original cost of construction or installation of fixed assets, the expansion of fixed assets and any other project clearly discernible as a fixed asset, except Major Construction as defined in Paragraph 2 of this Section III. All other costs shall be considered as operating.

2. **Overhead - Major Construction** TO BE NEGOTIATED

To compensate Operator for overhead costs incurred in the construction and installation of fixed assets, the expansion of fixed assets, and any other project clearly discernible as a fixed asset required for the development and operation of the Joint Property, Operator shall either negotiate a rate prior to the beginning of construction, or shall charge the Joint

Account for overhead based on the following rates for any Major Construction project in excess of $ _____ :

A. _____ % of first $100,000 or total cost if less, plus

B. _____ % of costs in excess of $100,000 but less than $1,000,000, plus

C. _____ % of costs in excess of $1,000,000.

Total cost shall mean the gross cost of any one project. For the purpose of this paragraph, the component parts of a single project shall not be treated separately and the cost of drilling and workover wells and artificial lift equipment shall be excluded.

3. Catastrophe Overhead

To compensate Operator for overhead costs incurred in the event of expenditures resulting from a single occurrence due to oil spill, blowout, explosion, fire, storm, hurricane, or other catastrophes as agreed to by the Parties, which are necessary to restore the Joint Property to the equivalent condition that existed prior to the event causing the expenditures, Operator shall either negotiate a rate prior to charging the Joint Account or shall charge the Joint Account for overhead based on the following rates:

A. _____ % of total costs through $100,000; plus

B. _____ % of total costs in excess of $100,000 but less than $1,000,000; plus

C. _____ % of total costs in excess of $1,000,000.

Expenditures subject to the overheads above will not be reduced by insurance recoveries, and no other overhead provisions of this Section III shall apply.

4. Amendment of Rates

The overhead rates provided for in this Section III may be amended from time to time only by mutual agreement between the Parties hereto if, in practice, the rates are found to be insufficient or excessive.

IV. PRICING OF JOINT ACCOUNT MATERIAL PURCHASES, TRANSFERS AND DISPOSITIONS

Operator is responsible for Joint Account Material and shall make proper and timely charges and credits for all Material movements affecting the Joint Property. Operator shall provide all Material for use on the Joint Property; however, at Operator's option, such Material may be supplied by the Non-Operator. Operator shall make timely disposition of idle and/or surplus Material, such disposal being made either through sale to Operator or Non-Operator, division in kind, or sale to outsiders. Operator may purchase, but shall be under no obligation to purchase, interest of Non-Operators in surplus condition A or B Material. The disposal of surplus Controllable Material not purchased by the Operator shall be agreed to by the Parties.

1. Purchases

Material purchased shall be charged at the price paid by Operator after deduction of all discounts received. In case of Material found to be defective or returned to vendor for any other reasons, credit shall be passed to the Joint Account when adjustment has been received by the Operator.

2. Transfers and Dispositions

Material furnished to the Joint Property and Material transferred from the Joint Property or disposed of by the Operator, unless otherwise agreed to by the Parties, shall be priced on the following basis exclusive of cash discounts:

A. New Material (Condition A)

(1) Tubular Goods Other than Line Pipe

(a) Tubular goods, sized 2⅜ inches OD and larger, except line pipe, shall be priced at Eastern mill published carload base prices effective as of date of movement plus transportation cost using the 80,000 pound carload weight basis to the railway receiving point nearest the Joint Property for which published rail rates for tubular goods exist. If the 80,000 pound rail rate is not offered, the 70,000 pound or 90,000 pound rail rate may be used. Freight charges for tubing will be calculated from Lorain, Ohio and casing from Youngstown, Ohio.

(b) For grades which are special to one mill only, prices shall be computed at the mill base of that mill plus transportation cost from that mill to the railway receiving point nearest the Joint Property as provided above in Paragraph 2.A.(1)(a). For transportation cost from points other than Eastern mills, the 30,000

pound Oil Field Haulers Association interstate truck rate shall be used.

(c) Special end finish tubular goods shall be priced at the lowest published out-of-stock price, f.o.b. Houston, Texas, plus transportation cost, using Oil Field Haulers Association interstate 30,000 pound truck rate, to the railway receiving point nearest the Joint Property.

(d) Macaroni tubing (size less than 2⅜ inch OD) shall be priced at the lowest published out-of-stock prices f.o.b. the supplier plus transportation costs, using the Oil Field Haulers Association interstate truck rate per weight of tubing transferred, to the railway receiving point nearest the Joint Property.

(2) Line Pipe

(a) Line pipe movements (except size 24 inch OD and larger with walls ¾ inch and over) 30,000 pounds or more shall be priced under provisions of tubular goods pricing in Paragraph A.(1)(a) as provided above. Freight charges shall be calculated from Lorain, Ohio.

(b) Line pipe movements (except size 24 inch OD and larger with walls ¾ inch and over) less than 30,000 pounds shall be priced at Eastern mill published carload base prices effective as of date of shipment, plus 20 percent, plus transportation costs based on freight rates as set forth under provisions of tubular goods pricing in Paragraph A.(1)(a) as provided above. Freight charges shall be calculated from Lorain, Ohio.

(c) Line pipe 24 inch OD and over and ¾ inch wall and larger shall be priced f.o.b. the point of manufacture at current new published prices plus transportation cost to the railway receiving point nearest the Joint Property.

(d) Line pipe, including fabricated line pipe, drive pipe and conduit not listed on published price lists shall be priced at quoted prices plus freight to the railway receiving point nearest the Joint Property or at prices agreed to by the Parties.

(3) Other Material shall be priced at the current new price, in effect at date of movement, as listed by a reliable supply store nearest the Joint Property, or point of manufacture, plus transportation costs, if applicable, to the railway receiving point nearest the Joint Property.

(4) Unused new Material, except tubular goods, moved from the Joint Property shall be priced at the current new price, in effect on date of movement, as listed by a reliable supply store nearest the Joint Property, or point of manufacture, plus transportation costs, if applicable, to the railway receiving point nearest the Joint Property. Unused new tubulars will be priced as provided above in Paragraph 2.A.(1) and (2).

B. Good Used Material (Condition B)

Material in sound and serviceable condition and suitable for reuse without reconditioning:

(1) Material moved to the Joint Property

At seventy-five percent (75%) of current new price, as determined by Paragraph A.

(2) Material used on and moved from the Joint Property

(a) At seventy-five percent (75%) of current new price, as determined by Paragraph A, if Material was originally charged to the Joint Account as new Material or

(b) At sixty-five percent (65%) of current new price, as determined by Paragraph A, if Material was originally charged to the Joint Account as used Material.

(3) Material not used on and moved from the Joint Property

At seventy-five percent (75%) of current new price as determined by Paragraph A.

The cost of reconditioning, if any, shall be absorbed by the transferring property.

C. Other Used Material

(1) Condition C

Material which is not in sound and serviceable condition and not suitable for its original function until after reconditioning shall be priced at fifty percent (50%) of current new price as determined by Paragraph A. The cost of reconditioning shall be charged to the receiving property, provided Condition C value plus cost of reconditioning does not exceed Condition B value.

(2) Condition D

Material, excluding junk, no longer suitable for its original purpose, but usable for some other purpose shall be priced on a basis commensurate with its use. Operator may dispose of Condition D Material under procedures normally used by Operator without prior approval of Non-Operators.

(a) Casing, tubing, or drill pipe used as line pipe shall be priced as Grade A and B seamless line pipe of comparable size and weight. Used casing, tubing or drill pipe utilized as line pipe shall be priced at used line pipe prices.

(b) Casing, tubing or drill pipe used as higher pressure service lines than standard line pipe, e.g. power oil lines, shall be priced under normal pricing procedures for casing, tubing, or drill pipe. Upset tubular goods shall be priced on a non upset basis.

(3) Condition E

Junk shall be priced at prevailing prices. Operator may dispose of Condition E Material under procedures normally utilized by Operator without prior approval of Non-Operators.

D. Obsolete Material

Material which is serviceable and usable for its original function but condition and/or value of such Material is not equivalent to that which would justify a price as provided above may be specially priced as agreed to by the Parties. Such price should result in the Joint Account being charged with the value of the service rendered by such Material.

E. Pricing Conditions

(1) Loading or unloading costs may be charged to the Joint Account at the rate of twenty-five cents (25¢) per hundred weight on all tubular goods movements, in lieu of actual loading or unloading costs sustained at the stocking point. The above rate shall be adjusted as of the first day of April each year following January 1, 1985 by the same percentage increase or decrease used to adjust overhead rates in Section III, Paragraph 1.A.(3). Each year, the rate calculated shall be rounded to the nearest cent and shall be the rate in effect until the first day of April next year. Such rate shall be published each year by the Council of Petroleum Accountants Societies.

(2) Material involving erection costs shall be charged at applicable percentage of the current knocked-down price of new Material.

3. Premium Prices

Whenever Material is not readily obtainable at published or listed prices because of national emergencies, strikes or other unusual causes over which the Operator has no control, the Operator may charge the Joint Account for the required Material at the Operator's actual cost incurred in providing such Material, in making it suitable for use, and in moving it to the Joint Property; provided notice in writing is furnished to Non-Operators of the proposed charge prior to billing Non-Operators for such Material. Each Non-Operator shall have the right, by so electing and notifying Operator within ten days after receiving notice from Operator, to furnish in kind all or part of his share of such Material suitable for use and acceptable to Operator.

4. Warranty of Material Furnished By Operator

Operator does not warrant the Material furnished. In case of defective Material, credit shall not be passed to the Joint Account until adjustment has been received by Operator from the manufacturers or their agents.

V. INVENTORIES

The Operator shall maintain detailed records of Controllable Material.

1. Periodic Inventories, Notice and Representation

At reasonable intervals, inventories shall be taken by Operator of the Joint Account Controllable Material. Written notice of intention to take inventory shall be given by Operator at least thirty (30) days before any inventory is to begin so that Non-Operators may be represented when any inventory is taken. Failure of Non-Operators to be represented at an inventory shall bind Non-Operators to accept the inventory taken by Operator.

2. Reconciliation and Adjustment of Inventories

Adjustments to the Joint Account resulting from the reconciliation of a physical inventory shall be made within six months following the taking of the inventory. Inventory adjustments shall be made by Operator to the Joint Account for

overages and shortages, but, Operator shall be held accountable only for shortages due to lack of reasonable diligence.

3. Special Inventories

Special inventories may be taken whenever there is any sale, change of interest, or change of Operator in the Joint Property. It shall be the duty of the party selling to notify all other Parties as quickly as possible after the transfer of interest takes place. In such cases, both the seller and the purchaser shall be governed by such inventory. In cases involving a change of Operator, all Parties shall be governed by such inventory.

4. Expense of Conducting Inventories

A. The expense of conducting periodic inventories shall not be charged to the Joint Account unless agreed to by the Parties.

B. The expense of conducting special inventories shall be charged to the Parties requesting such inventories, except inventories required due to change of Operator shall be charged to the Joint Account.

EXHIBIT "F"

ATTACHED TO AND MADE A PART OF UNIT OPERATING AGREEMENT dated December 1, 1992, covering the Central EK Queen Unit, Lea County, New Mexico

INSURANCE

Operator shall at all times during the term of this Agreement carry insurance to protect the parties hereto as follows:

1. Workmen's compensation and occupational disease insurance, as required by the laws of the state or states in which operations will be conducted, and employer's liability insurance with a limit of not less than $100,000.00.

2. Comprehensive general public liability insurance, with contractual coverage, in an amount of $500,000.00 for each occurrence for personal injuries and death.

3. Automobile public liability insurance covering all automotive equipment used in performance of work under this Agreement in the amount of $500,000.00 for each person and $500,000.00 for each accident for personal injuries and death, and $500,000.00 for each accident for loss or damage to property.

All premiums paid on such insurance shall be charged to the joint account. Except by mutual consent of the parties, no other insurance shall be maintained for the joint account, and all losses not covered by such insurance shall be charged to the joint account.

Operator shall not be liable to Non-Operators for loss suffered on account of the insufficiency of insurance carried, the insurer with whom carried, nor shall Operator be liable to Non-Operator for any loss accruing by reason of Operator's inability to provide or maintain the insurance above-mentioned; provided, however, that if at any time during the life of this agreement Operator is unable to obtain or maintain such insurance, Operator shall promptly notify Non-Operators in writing of such fact.