

VII. Proposed Operation

1. Rates: Avg. 125 BWPB
Max. 500 BWPB
2. Closed system
3. Pressure: Avg. 2600 psi
Max. 3000 psi
4. Produced water
5. N.A.

- VIII. 1. Zone: Grayburg/San Andres
Lithology: Fine grain sandstone w/dolomitic cement
changing to dolomite w/anhydritic veins
Depth: Grayburg 3955' - 4290'
San Andres 4290' - TD
2. Drinking water zones
Ogallala - base 300' to 350'

- IX. Stimulation:
- 1000 gallons parafin solvent
 - 2000 gallons calcium sulfate converted
 - 4000 gallons 15% NeFe HCl

- XIV. Proof Of Notice: Surface Owner: State of New Mexico, Land Commissioner
P. O. Box 1148
Santa Fe, New Mexico 87501
- Newspaper: Hobbs Daily News-Sun
Box 860,
Hobbs, New Mexico 88240

Leasehold Ownership (within 1/2 mile of location):

Chevron U.S.A. Inc.	Monument Resources, Inc.	Texaco Inc.
Box 1660	5100 N. Brookline, Ste 700,	Box 728
Midland, Texas 79702	Oklahoma City, OK. 73112	Hobbs, New Mex. 88240

Marathon Oil Company
Box 2409,
Hobbs, New Mex. 88240