

the packer set at 4460'. This will isolate the zone from 4508' to 4531' for injection. When the zone 4508-31' was acidized, the ISDP was 1300 psi, 5 minutes 400 psi and in 10 minutes the well was on a vacuum. This indicates that the frac gradient is 0.72 psi/ft. The injection pressure will be limited to 0.65 psi/ft., or with a column of fresh water the maximum surface injection pressure would be 1000 psi.

The final phase will involve producing the well and measuring recovered volumes of gas, oil and water and detailed chemical analysis of the produced fluids. This data will allow the geochemical model to be "tuned" to determine the chemical reactions that take place within the reservoir when CO<sub>2</sub> is injected. Strata is particularly interested in the effects CO<sub>2</sub> has on the production of oil and gas and hopes that CO<sub>2</sub> will be economical as an aid to enhanced recovery in the Queen.

Enclosed for your review are:

1. Copy of the Overview of the Project
2. NETL's sampling plan.
3. Wellbore diagrams
4. Well logs
5. Lease map
6. C-103 Sundry notice of intent to perform an injection test.

We plan on starting injection in late September or early October depending on surface use permits from the BLM to do the seismic surveys. Your early attention to this request would be appreciated and should you have any questions please call me at 505-624-2800.

Very Truly Yours,

A handwritten signature in black ink, appearing to read 'B. Stubbs', with a stylized flourish at the end.

Bruce A. Stubbs, P.E.