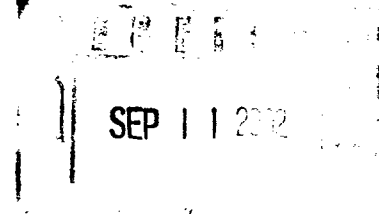




**OXY USA WTP LP**

1943 N. Grimes B - 269  
Hobbs, NM 88240  
505-393-2174 Office  
505-397-2671 Fax

*250  
CASE FILE - 12265*



September 1, 2002

NMOCD  
David Catanach  
1220 S. St. Francis Dr.  
Santa Fe, NM 87505

Dear Mr. Catanach:

Please find attached our monthly reporting of data concerning our Government AB # 9  
SWD Conversion.

We began injecting water on 1/30/01. If you have need of further information please  
contact me at 505-393-2176.

Sincerely,

A handwritten signature in black ink, appearing to read "John Erickson". The signature is fluid and cursive.

John Erickson, Production Coordinator  
Frontier Asset Group

Attachment

# EXHIBIT A AOR Monitoring Report

Old Millman Ranch-Bone Springs Associated Pool  
Eddy County, New Mexico  
Re: Division Order No. R-11328

8-26-02

## Monthly Well Tests:

| Well Name & Number | Test Date | OK, BPD | Water, BPD | Gas, MCFPD |
|--------------------|-----------|---------|------------|------------|
| Government AB 7    | 8-18-02   | 6       | 4          | 51         |
| Government AB 6    | 8-7-02    | 7       | 2          | 51         |
| Government S 3     | 8-18-02   | 30      | 2          | 124        |
| Government S 7     | 8-5-02    | 5       | 0          | 62         |

\*Note: Government AB 3 injection well must be shut-in if this value exceeds 100 BWPD

## Weekly Pressure Readings:

| Well Name & Number | Date Readings Taken | Pressure between 3 1/2" and Intermediate Casing" | Original Baseline Pressure | Date of Original Baseline Pressure |
|--------------------|---------------------|--------------------------------------------------|----------------------------|------------------------------------|
| Government S 2     | 8-2-02              | 0                                                | 13                         | 1-24-01                            |
|                    | 8-10-02             | 0                                                |                            |                                    |
|                    | 8-20-02             | 0                                                |                            |                                    |
|                    | 8-25-02             | 0                                                |                            |                                    |
| Government AB 2    | 8-7-02              | 0                                                | 3                          | 1-24-01                            |
|                    | 8-15-02             | 0                                                |                            |                                    |
|                    | 8-20-02             | 0                                                |                            |                                    |
|                    | 8-26-02             | 0                                                |                            |                                    |

\*\*Note: Government AB 3 injection well must be shut-in and the Artesia District Office notified immediately if this exceeds 50 psi above the baseline pressure.  
Any pressure increase above baseline shall be reported immediately to the Artesia District Office.

## Weekly Injection Well Status:

|                 | Date Readings Taken | Tubing Pressure, psi | Injection Rate, BWPD |
|-----------------|---------------------|----------------------|----------------------|
| Government AB 3 | 8-6-02              | -11 (VAC)            | 45162/100            |
|                 | 8-13-02             | -9 (VAC)             | 45734/133            |
|                 | 8-20-02             | -9 (VAC)             | 46201/68             |
|                 | 8-26-02             | -8 (VAC)             | 46719/107            |

I hereby certify that the above information is true and correct to the best of my knowledge and belief.

*Rick Moya*  
Signature

Rick Moya  
Printed Name

Production Tech  
Title

8-26-02 505-390-1096  
Date & Telephone Number