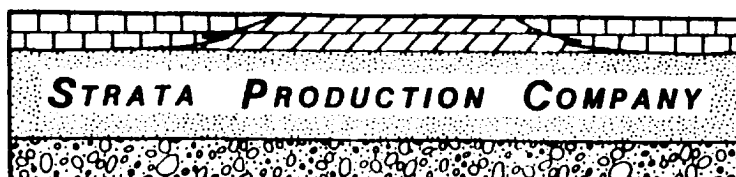


GEORGE L. SCOTT, JR.
FRANK S. MORGAN
JAMES G. McCLELLAND



648 PETROLEUM BLDG.
ROSWELL, NM 88201
(505) 622-1127
(505) 622-5891

EXHIBIT "A"

PARKWAY, EAST PROSPECT
PETCO STATE # 1
SEC. 26, T-19-S, R-29-E
EDDY COUNTY, NEW MEXICO
LEASE # L-3355, ELEV. 3320' GL

- 01-17-89 MIRU Mack Chase service rig. RD pmpg unit & TOH w/ 25 (3/4") rods, tbg anchor & tbq. RU Welex, TIH w/ RBP and set @ 9000'. Prep to perf & acdz. SDON. AFE COSTS \$ 164,641.00, EST. COSTS TO DATE \$ 94,966.09.
- 01-18-89 Welex TIH w/ Select Fire guns, perf w/25 (.38") holes as follows: 8056', 8083', 84', 85', 86', 87', 88', 8094', 95', 96', 97', 8143', 44', 45', 46', 47', 48', 49', 50', 8191', 92', 8211', 12', 13', 14' & 8215'. TOH w/ guns, TIH w/ 5-1/2" Watson Arrowset II pkr, hung @ 8236', circ 196 Bbls 2% KCL & spot 3 BAW (15% NEFE) across perfs. Set pkr & PU on CIBP to 1500#, held OK. Moved up hole & PSA 7990'. BDF @ 2100#, SD, open bypass, sptd acd @ EO tbq. Acdz perfs w/ 72 BAW (15% NEFE) and 50 ball sealers. Balled out OK. Trt press min 2100#, max 3900#, Avg IR 2800# @ 3.5 BPM. ISDP 1350#, FSDP 1280# (15 min). Flo back & swbbd 41 BLW w/ 118 BLWTR. Made 8 swbbg runs. Slight SG&O on last run. Left open to pit. SDON.
- 01-19-89 FL @ 6400'. Pld 900' FO & 200' LW on first swbbg run. Bled well down, made swb run evry hour. Rcvd 14 BTF w/ 40 - 80% OC. Making 350 - 400' fl evry hour. 64 BLWR, 54 BLWTR.
- 01-20-89 FL @ 7000' w/ 90# SITP. First swwbq run made 700' FO & 200' LW. Hughes Services ld tbq, rlsd pkr & TOH w/ 2-3/8" tbq. Crockett Trucking delv 3-1/2" work string, tallied 3-1/2"tbq & prep to SIH. T & C Tank set 4 (500 Bbl) frac tanks. Steve Carter Inc ld each tank w/ 498 Bbls of 2% KCL wtr. SIH w/ 3-1/2" tbq. SDON.
- 01-21-89 Mack Chase svc rig set pkr @ 8001'. RU Western to frac w/ 60,000 gal 2% KCL wtr & 102,000 # 16/30 Ottawa snd. Added 2500# J-4 gel, 60 gals CM-4, 78# B-11 and 60 gals crosslinker. Trt Prsr min 4200#, max 5300#, Avg 4400# @ 25 BPM. ISDP 1500#, FSDP 1450#. Fluid run w/ 18,000 gal pad & built sand frm 1# - 4# ppg. SI, built wellhead & frac tanks. Prep to flo bck in AM. SDON.