

South Mattix Unit Federal Well No. 23
Letter O, Section 15, T-24-S, R-37-E
Lea Co., New Mexico

Isolate Paddock perforations and frac well (subsequent work to that performed 7/9/99 – 7/20/99 & 7/26/99 – 8/20/99):

- 1) MI x RU. POH with tubing x packer.
- 2) Set wireline CIBP @ approx. 4840' (to isolate Paddock perms from 4850' – 4870' that were contributing water).
- 3) RIH with tubing x packer. Set packer x swab test well.
- 4) RU Halliburton x frac well with a 75 Quality linear foam frac.
- 5) Clean up well x turn over to operations for testing.