AGHORN OPERATING, INC.

P.O. Box 12663 Odessa, TX 79768-2663 (915) 550-0804 • Fax (915) 550-0822

April 4, 2001

New Mexico Energy Minerals And Natural Resources Department 811 South First Street Artesia, NM 88210

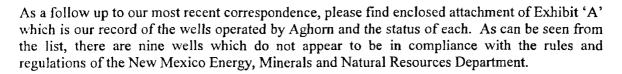
Mr. Tim Gum Attn:

Non-Compliant Well List Re:

Plan of Operation

Dear Mr. Gum:

FG\mc



Aghorn in its efforts to be a responsible operator hereby submits as Exhibit 'B' our proposed plan of operations for these wells considered to be non-compliant. Our first order of business is to schedule a time with your field representative to witness mechanical integrity tests on all injection wells in the Northeast Square Lake Unit. Please contact me at your convenience so that we may schedule that testing.

Thank you again for your patience and consideration in our requests. Granted, we still have some work to do, but considering where we started and the confusion associated with the change of ownership I feel as though we have done some good.

I look forward to hearing from you soon.

Very truly yours, BEFORE EXAMINER STOGNER OIL CONTERMITION DIVISION OCD EXHIBIT NO. CASE NO. _

EXHIBIT TA'					
EDDY COUNTY: EDDY AGA STATE 1 SI ACTIVE R.T. WILSON FEDERAL 1 SI ACTIVE 2 SI ACTIVE 3 SI ACTIVE 4 SI ACTIVE 5 SI ACTIVE E.D. WHITE FEDERAL 1 SI ACTIVE E.D. WHITE FEDERAL 1 SI ACTIVE B.J. HANSON 1 SI SI ACTIVE B.J. HANSON 1 SI SI ACTIVE BLACKSHIELD STATE 1 ACTIVE 8 SI ACTIVE 1 ACTIVE 2 ACTIVE 2 ACTIVE 2 ACTIVE 3 ACTIVE 3 ACTIVE 3 ACTIVE 4 ACTIVE 5 ACTIVE	·				
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EXHIBIT "B"

WELL NAME:	WELL NO	PLAN OF OEPRATION		
R. T. WILSON	3	Waiting on Rig - Will be Active by April 15, 2001		
B.I. HANSON	1	Moving Equipment - Will be Active by April April 15, 2001		
NORTHEAST SQUARE LAKE	2	Will move production equipment on by May 15, 2001		
	3	Needs MIT To Determine Operations		
	6	Will move production equipment on by May 15, 2001		
	8	Needs MIT to Determine Operations		
	9	Will move production equipment on by May 15, 2001		
	12	Needs MIT to Determine Operations		
	20	Will move production equipment on by May 15, 2001		
	21	Needs MIT to Determine Operations		
	25	Needs MIT to Determine Operations		
TOTAL MIT'S TO BE RUN		NESLU NO. 3,5,8,10,12,21 & 25		

EDDY COUNTY:

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