

EXHIBIT 3

General American Oil Company of Texas
Keely B No. 13

1345' from North line and 1295' from East line of Section 26, Township 17 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.

Present Status: T.D. 5076', P.B. 3050'. 10 3/4" OD casing from surface to 910', cement circulated, 7" OD casing from surface to 2820', cemented with 210 sacks cement, and from 3020' to 3420', cemented with 125 sacks.

Geologic Tops: Elevation - 3588'
Top Salt - 375' (Smpls.)
Base Salt - 782' (Smpls.)
Top Yates - 955' (Smpls.)
Top Queen - 1878' (RA Log)
Top Grayburg - 2222' (Smpls.)
Top San Andres - 2613' (RA Log)
Top Glorieta - 4150' (Smpls.)

Proposed Conversion Program: We propose to drill out cement plug to 3537', test Grayburg-Keely Zone, stimulate if necessary, set drillable packer in 7" casing at 3400', run internally plastic-coated tubing and commence injecting water into Grayburg-Keely Zone. Injection water will be produced from Pennsylvanian formation from 9265' to 9299' in water supply well. Injection volumes are expected to be from 500 to 1000 barrels water per day.