

Phillips Petroleum

***Lea Co., New Mexico
East Vacuum Unit
Sec. 32,T17S-R35E
EVGSAU 3229-013 - Plan-2.26.01***

PROPOSAL REPORT

26 February, 2001

Your Ref: Horizontal Well Plan

sperry-sun
DRILLING SERVICES
A Halliburton Company

Proposal Ref: pro49