

Matador Operating Company

Pipeline A Federal 8 #2

Sec. 8 T19S R34E

API #30-025-35632

Lea County, New Mexico

Swabbed 22 BF in 7 runs. Well kicked off flowing. Flowed 90 minutes at 10 - 20 psi recovering 12 BF. Swabbed 5 BF after well allowed cups to fall. Swabbed/flowed for 10 hours. Recovered total of 39 bbls at 20% oil. 50 psi gas show behind swab. LWOTT, SDON. Total fluid recovered is 245 bbls.

Date : 9/17/2002

Activity: Swabbing

Remarks : FTP at 12 psi through 2" valve. Flowed 2.5 BO + 26.5 BW in 12 hours. Began swabbing. BFL at 8000' and scattered. Made 3 runs and well kicked off flowing. Flowed 8 BF with 10-20 psi for 2 hours. Continued swabbing. Swabbed/flowed a total of 27 bbls from 8:00 am to 5:00 pm. Recovering 10% oil (note oil cuts previously reported as 20% should have been 10%. All oil cuts have been 10%). Total recovery for 24 hour period is 56 BF (5.5 BO) 50 psi behind swab runs. LWOTT. SDON. Total recovery after acid job is 301 bbls.

Date : 9/18/2002

Activity: Swabbing

Remarks : FTP 5 psi. Flowed 24 bbls to tank over night. Continued swab. FL first run at 7000' and scattered. After 5 runs well started flowing. Flowed 90 min at 10 - 20 psi and recovered 4 bbls. Resume swab as flow rate allows. Swabbed/flowed 10 hours. Recovered 18 bbls for the day. 42 BF last 24 hours, 10% oil. 50 psi gas show behind swab. RU test unit. Leave well open to same over night. Initial flow rate of 120 mcf/d at 35 psi. SDON. Total recovered: 343 bbls.

Date : 9/19/2002

Activity: Swabbing

Remarks : FTP 25 psi. Flowed 12 bbls to test vessel over night, continued to flow an additional 16 bbls. Gas flow rate of 110-550 mcf/d at 35 psi. Made one swab run. FL scattered from surface. Recovered 7 bbls with swab. Recovered 35 bbls total this report. Production Energy Services will watch overnight. Total fluid recovered. 357 BW + 21 BO.

Water Analysis:

Specific Gravity: 1.070 at 76 degrees F. Ph 7.00

Anions	ppm
Chlorides	28161
Sulfates	449
Carbonates	0
Bicarbonates	776

Cations	ppm
Calcium	7308
Magnesium	2044
Iron	374
Sodium	6205

Total dissolved solids: 48488.76

Date : 9/20/2002

Activity: Swabbing

Remarks : FTP 35 psi. Flowed 23 bbls to test vessel over night, continued to flow an additional 8 bbls. Average gas flow rate of 260 mcf/d at 35 psi. Made one swab run. FL scattered from surface. Recovered 8 bbls with swab. Recovered 43 bbls total this report. PES will continue to monitor. Total recovery: 397 bw + 25 bo.

Date : 9/21/2002

Activity: Swabbing

Remarks : FTP 35 psi. Flowed 38 bbls to test vessel this report. Average gas flow rate of 240 mcf/d at 35 psi. Recovered 38 bbls total this report. PES will continue to monitor. Total recovered: 432 bw + 28 bo.

Date : 9/22/2002

Activity: Production Test

Remarks : FTP 35 psi. Flowed 39 bbls to test vessel this report (36 bw + 3 bo). Average gas flow rate of 240 mcf/d at 35 psi. PES will monitor. Total recovered: 468 bw + 31 bo.