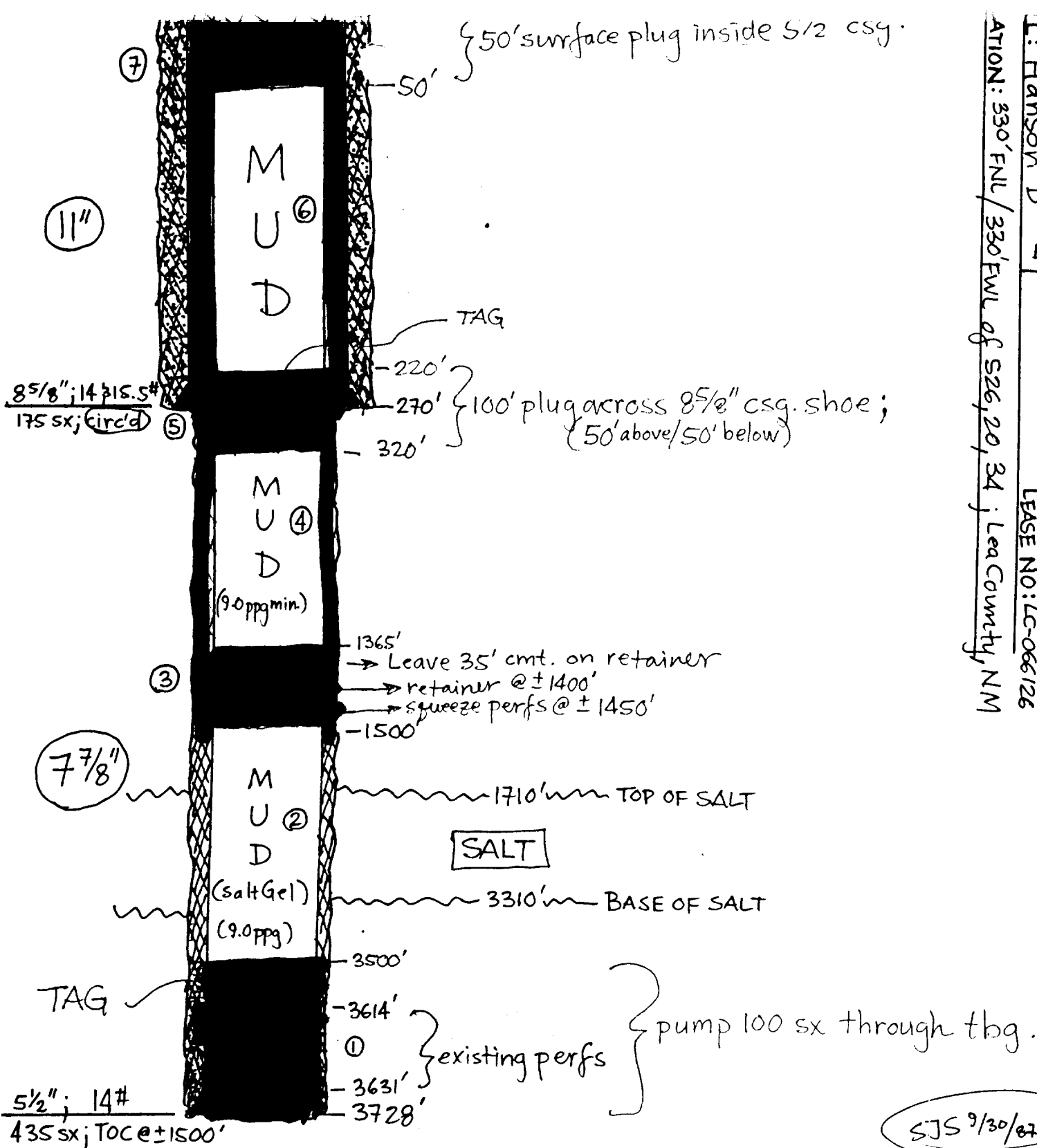


ERATOR: Burk Royalty Co.

L: Hanson 'D' #1

LEASE NO: LC-066126

ATION: 330' FNL / 330' FWL of S26, 20, 34, Lea County, NM



Proposed P3A Procedure : [Green represents cmt/plugs needed to P3A]

- ① pump 100 sx neat cmt. through tubing to cover existing perfs. (TAG PLUG).
- ② pump about 2000' of Salt Gel (9.0 ppq min.) spacer.
- ③ since primary T.O.C. is @ ±1500', shoot squeeze perfs @ ±1450, set cmt retainer @ ±1400, establish circulation, and attempt to squeeze backside of 5 1/2" csg to surface. Sting out of retainer and leave 35' cmt on top.
- ④ pump another large slug of 9.0 ppq mud.
- ⑤ spot 100' cmt. plug across 8 5/8" csg shoe to extend 50' above / 50' below csg. shoe. (TAG PLUG)
- ⑥ spot fresh-water mud in surface csg.
- ⑦ Leave 50' surface plug and erect P3A monument.

SJS 9/30/07