

Wood, McShane & Thams
South Leonard Queen Unit #13

Form C-108, Item VII.

Proposed Operation:

1. Proposed average injection rate is approximately 360 BWPd with maximum injection volume of 600 BWPd.
2. Injection system is closed.
3. Proposed average injection pressure is approximately 1100 p.s.i. with a maximum expected injection pressure of 1600 p.s.i.
4. Analysis of injection fluids on attached sheets. Make-up water is compatible with receiving formation and has been used in this project for many years with no problems. Make-up water is from the San Andres formation and is analyzed from a sample taken from WSW #1, which is the only source of make-up water for this lease.