

STATE OIL AND GAS BOARD

Exhibit No. 1STATE OF TEXAS
COUNTY OF HARRISPetition By) LaTex

AFFIDAVIT OF TESTIMONY

Item No. 10Date 10-31-01

DOCKET NO. 10-31-01-5

Testimony Of S. CollinsR. Hamilton

Comes now Steven C. Collins, Operations Manager for LaTex Petroleum Corporation ("LaTex"), whose qualifications as a Petroleum Engineer are on file with the State Oil and Gas Board of Alabama and who, after being duly sworn on his oath, states the following, to-wit:

That LaTex is the Operator of wells in the South Carlton Field, Clarke County, Alabama, described on Exhibit "A" attached hereto and made a part hereof. The State Oil and Gas Board of Alabama previously approved the temporarily abandoned status of those wells. However, that status will expire on November 2, 2001; and

That the said wells have future utility in that they may be used in field operations and it would not be prudent to plug and abandon said wells at this time. There is currently oil production from the Massive, Pilot and Lower Tuscaloosa Formations in the South Carlton Field. If said wells are not available when needed for operations in the field, new wells will have to be drilled. The cost of drilling any new well in this field is prohibitive at this time; and

That the Wall 3-2, Wall 3-3, Wall 3-13, Wall 3-3A and Wall 2-11 Wells have future utility as saltwater disposal wells. The Davis #5, Robinson #1, Wall 3-11, Davis #4 and Wall 11-4 Wells are being evaluated in order to determine if they should be returned to productive status since the last tests of those wells has shown each to be productive of oil. The Wall 11-3 and the Scott 11-11 Wells are currently in need of repair; and

That LaTex has conducted extensive work on the infrastructure of the field to enhance recovery and to ensure the safe operation of the wells. LaTex has removed a number of abandoned vehicles, junk tubulars, equipment and structures from the field. LaTex has re-evaluated and modified its chemical program in order to decrease treating costs. LaTex has cleared under powerlines in order to decrease downtime by reducing electrical system failures and in order to make the work environment safer. LaTex has completed overhauling the engine and transmission of its workover rig and has started a program to increase pumping efficiency by installing timers on the pumping units which is designed to decrease electrical costs and downhole failures; and

That in addition to the foregoing, LaTex has installed new downhole tubing and rods in four Wells. Also, LaTex has repaired and returned eight Wells to production, said wells having been shut-in for as long as two years; and

That as field operations continue, LaTex will continuously evaluate the future utility of the aforementioned wells and will monitor said wells to ensure their safe condition and, if necessary, will periodically request extensions of the temporarily abandoned status for said wells in accordance with the rules and regulations of the State Oil and Gas Board of Alabama Administrative Code; and

That, in my opinion, the granting of LaTeX's petition will prevent waste, protect correlative rights, avoid the drilling of unnecessary wells and ensure continued safe and orderly operations in the South Carlton Field. Therefore, LaTeX respectfully requests that the approved temporarily abandoned status of these wells be extended for an additional twelve-month period.


Further Affiant saith not.

LATEX PETROLEUM CORPORATION

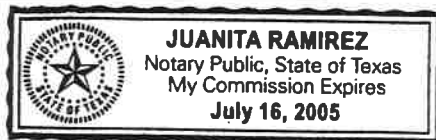
BY:


STEVEN C. COLLINS

Sworn to and subscribed before me this 28th day of October, 2001.


NOTARY PUBLIC

My Commission Expires:



PUBLISHER'S AFFIDAVIT

STATE OF ALABAMA

CLARKE COUNTY

Before me,

Delores B. Zakary

a Notary

Public in and for said County in said state personally appeared **Michael M. Breedlove** who is known to me, and who, being duly sworn, deposes and says:

That he is Publisher of The South Alabamian, a newspaper published weekly at

NOTICE OF MEETING

The State Oil and Gas Board of Alabama will hold its regular monthly meeting at 10:00 a.m. on Wednesday, October 31, and Friday, November 2, 2001, in the Board Room of the State Oil and Gas Board, Walter B. Jones Hall, University of Alabama Campus, 420 Hackberry Lane, Tuscaloosa, Alabama, to consider among other items, the following petition(s):

DOCKET NO. 10-31-01-5

Petition by LATEX PETROLEUM CORPORATION, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board, pursuant to Section 9-17-1, et seq. Code of Alabama, (1975), and Rule 400-1-4-.17 of the State Oil and Gas Board of Alabama Administrative Code, to enter an order extending the temporarily abandoned status for certain wells in the South Carlton Field, Clarke County, Alabama, in the following areas:

Township 3 North, Range 2 East
Sections 2, 3, 10, 11 and 16

The previously granted temporarily abandoned status expires on November 2, 2001, and LaTeX Petroleum Corporation is requesting this Board to grant a one-year extension of the temporarily abandoned status beginning November 2, 2001, because all of the wells in the aforementioned Sections have future utility and should not be plugged.

The meetings of the State Oil and Gas Board are public meetings, and members of the public are invited to attend and present their position concerning this petition(s). Requests to continue or oppose a petition should be received by the Board at least two (2) days prior to the hearing. For additional information, you may contact the State Oil and Gas Board, P. O. Box 869999, Tuscaloosa, Alabama 35486-6999, Telephone Number 205/349-2852, Fax Number 205/349-2861, or by email at petitions@ogb.state.al.us.

notice appearing in the following issues: October 18, 2001 to

inclusive.

Sworn to and subscribed before me this day of October 23, 2001

Delores B. Zakary
Notary Public, Clarke County, Ala.

My commission expires 3/11/05

EXHIBIT "A"
TO
LATEX PETROLEUM CORPORATION

DOCKET NO. 10-31-01-5

<u>PERMIT NO.</u>	<u>WELL NAME</u>	<u>LOCATION</u>
2017	J.H. Wall Estate Unit #3-2	S3, T3N, R2E
1491	M.W. Davies #5	S16, T3N, R2E
3332	Wall et al #11-3	S11, T3N, R2E
2286-B	Wall et al Unit #3-3	S3, T3N, R2E
2842	Wall et al #3-13	S3, T3N, R2E
2287-B	Wall et al #3-3A	S3, T3N, R2E
272	Ed L. Robinson et al #1	S10, T3N, R2E
2179	Wall et al #3-11	S3, T3N, R2E
1490	M.W. Davies #4	S16, T3N, R2E
2288-B	Wall et al #2-11	S2, T3N, R2E
3331	Wall #11-4	S11, T3N, R2E
9072-B	Scott No. 11-11	S11, T3N, R2E.

STATE OIL AND GAS BOARD

Exhibit No. A

Petition By LaTex

Perm No. 10 Date 10-31-01

Secretary S. Collins

R. Hamilton